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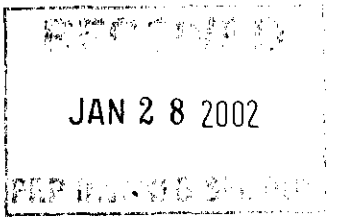
January 25, 2002

VIA FEDERAL EXPRESS



Brian M. Nishitani, Esq.
Senior Assistant Regional Counsel
United States Environmental Protection Agency
Region III
1650 Arch Street
Philadelphia, PA 19103-2029

Re: Information Request Letter to Celotex Corporation ("Celotex")
Our File No.: 7802-148

Dear Mr. Nishitani:

This letter serves as Celotex's response to the demand for submission of information letter sent to Celotex by the United States Environmental Protection Agency (the "EPA") on October 30, 2001 seeking certain information relating to Celotex and the Lower Darby Creek Area Superfund Site (the "Site").

As previously advised, on October 12, 1990, Celotex filed a voluntary petition for relief under Chapter 11 of title 11, United States Code in the United States Bankruptcy Court for the Middle District of Florida, Tampa Division (the "Bankruptcy Court"), Case No. 90-10016-8B1. As further advised, in connection with the Order Confirming the Plan of Reorganization for The Celotex Corporation and Carey Canada Inc. (the "Confirmation Order") entered on December 6, 1996, which confirmed the Modified Joint Plan of Reorganization under Chapter 11 of the United States Bankruptcy Code for The Celotex Corporation and Carey Canada Inc. (the "Plan"), certain injunctions were implemented, including the Discharge Injunction, Supplemental Injunction, Third Party Injunction and VPSA Injunction (as such terms are defined in the Plan) (collectively, the "Injunctions") which enjoin, among other things, the commencement, in any manner, of any proceeding of any kind with respect to any claim, demand, or cause of action, against, among others, Celotex, arising prior to May 30, 1997, the Effective Date of the Plan (as defined therein). Thus, the EPA's demand for submission of information is enjoined pursuant to the terms of the Injunctions,

which became effective on the Effective Date and continue in effect at all times thereafter and any proceeding relating in any way to the demand for submission must be commenced in the Bankruptcy Court.

Notwithstanding the foregoing, in response to your correspondence requesting that Celotex consider voluntarily cooperating in the EPA's investigation relating to the Site, Celotex is providing the following information.

First, with respect to its corporate history, Celotex is a Delaware corporation which was reincorporated in 1964. In April, 1972, Celotex purchased an 89% interest in Panacon Corporation ("Panacon"). In connection with such acquisition, Celotex acquired the liabilities of Panacon and its predecessors, including Phillip Carey Corporation ("Phillip Carey"). Phillip Carey had been in the business of manufacturing asbestos-containing insulation materials. Carey Canadian Mines, Ltd, a division of Phillip Carey, operated an asbestos mining and milling operation in Quebec, Canada. Carey Canadian Mines, Ltd. changed its name in 1979 to Carey Canada Inc. ("Carey Canada"). Carey Canada ultimately became a wholly owned subsidiary of Celotex. Accordingly, the asbestos-related claims asserted against Celotex and the concomitant cost of defending the significant number of asbestos-related lawsuits, which was the primary impetus for Celotex's bankruptcy filing, resulted primarily from Celotex's acquisition of Panacon.

After Celotex filed its voluntary bankruptcy petition in October, 1990, its bankruptcy case progressed over a period of several years. Ultimately, Celotex successfully reorganized pursuant to the terms of the Plan, which was confirmed by the Bankruptcy Court on December 6, 1996. Pursuant to the terms of the Confirmation Order, Celotex became a wholly owned subsidiary of the Asbestos Settlement Trust (the "Trust"), a qualified settlement trust established to liquidate and pay Asbestos Claims (as defined in the Plan).

Following confirmation of the Plan, Celotex continued to operate its businesses and properties. In November 1999, the Trust announced its intention to market Celotex to strategic and financial buyers. Ultimately, as a result of this process, Celotex sold its five product lines to four buyers in four separate asset sale transactions. Specifically, Celotex sold its acoustical ceiling and gypsum wallboard businesses to BPB Acquisition, Inc. in June, 2000, its roofing business to Certainteed Corporation in August, 2000, its fiberboard business to Knight Industries, Inc. in June,2001, and its foam insulation business to The Dow Chemical Company in August, 2001.

Prior to the divestiture of all its product lines, Celotex was a national manufacturer of a diverse line of building materials. As referred to herein, Celotex's product lines included acoustical ceiling products, laminated asphalt roofing shingles, gypsum wallboard, rigid foam insulation, and fiberboard. The products were sold domestically and internationally in both the new and repair/remodel segments of the residential and commercial construction and consumer markets. Celotex's products were sold through numerous distribution channels, including building material

dealers and wholesalers, contractors, home centers, and specialty distributors. Celotex previously maintained 22 manufacturing facilities, five regional sales offices, and one research and product development center in the United States. As set forth above, Celotex divested itself of its acoustical ceiling, gypsum wallboard and asphalt roofing shingle product lines in 2000 and its fiberboard & foam insulation product lines in 2001. Each asset sale included, along with the manufacturing facilities, the divestiture of the sales and research and product development functions associated with the business sold.

Effective with the sale of its fifth and last product line in August, 2001, Celotex's operations consist primarily of the activities necessary to wind-up its corporate affairs. Celotex currently employs only eleven (11) people.

With respect to your questions pertaining to Celotex's former Philadelphia, Pennsylvania plant, located on Grays Ferry Avenue, Celotex has very limited information. Enclosed is an agreement dated May 25, 1967 (along with the amendment thereto), whereby Jim Walter Corporation (Celotex's former parent) purchased certain assets of Allied Chemical Corporation, subsequently known as Allied Corporation (collectively referred to herein, with its parent, AlliedSignal, Inc., as "Allied"). Included in such asset purchase was the plant facility located in Philadelphia. The deed relating to that transaction is also enclosed. Celotex ceased production at the Philadelphia plant property and closed such facility in December, 1981. Celotex later sold the plant property to Island Realty in 1987. We are also enclosing a copy of the purchase and sale agreement with Island Realty, as well as the deed relating to that transaction, with this letter.

Note that prior to Celotex's bankruptcy petition in October 1990, Eastern Industrial Corporation ("Eastern"), a third-party defendant in the GEMS Landfill litigation pending before the United States District Court for the District of New Jersey, filed a fourth-party complaint against Celotex asserting that certain material Eastern hauled to the GEMS Landfill was generated by Celotex. This litigation against Celotex was stayed and enjoined in October, 1990, by order of the Bankruptcy Court. However, in September, 1990, counsel for Celotex, in their investigation of this matter, interviewed former Celotex employees Frank Boland, Pat Cook and Hugh Casey. At Celotex's request in order to assist you, Celotex's counsel has forwarded to us copies of its internal summary of these interviews. These summaries are privileged and confidential and subject to attorney-client and attorney work-product privileges. Without waiving these privileges with respect to these summaries, we provide the information below identifying persons and entities identified in these summaries which may be of assistance to you in your investigation.

As stated, certain former employees who may have information regarding waste generation and disposal from the Philadelphia plant operation were previously identified in the 1990 investigation by Celotex's counsel. Apparently, Frank Boland served as plant manager from February 1972 until the plant closed in 1981. It appears Jerry Talbert preceded Mr. Boland as plant manager. Generally, the plant buyer would be responsible for contracting for plant services, including the services for the

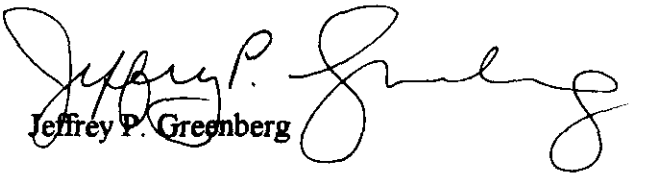
disposal of waste materials. Apparently, Alan Etkin served as plant buyer from approximately 1968 through 1973 or 1974 and was succeeded by Hugh Casey who served through approximately May 1976. Mr. Casey was apparently succeeded as plant buyer by Mike Heffernan. Pat Cook apparently became plant buyer in 1979 or 1980 and had involvement in waste operations beginning in March 1977 when he served as yard foreman.

It appears that beginning in 1974, Celotex contracted with Eastern to dispose of waste materials. Prior to 1974, it appears that Gephart, a Philadelphia demolition contractor, performed this service. Apparently, the disposal sites utilized by Eastern were designated in the contract as Kinsley's Landfill, Inc. and Mac Sanitary Land Fill, Inc. prior to March, 1977 and as only Kinsley's Landfill, Inc. subsequent to March, 1977.

The foregoing represents the information and documentation Celotex has been able to locate concerning its former Philadelphia plant and the Site. Allied, now Honeywell, could also have certain additional information and/or documentation regarding the plant and waste disposal at the Site.

Please direct all further inquiries regarding this matter to the undersigned.

Sincerely yours,



Jeffrey P. Greenberg

JPG/le
Enclosures
cc: Jeffrey W. Warren, Esq.

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AGREEMENT, dated May 25, 1967, between ALLIED CHEMICAL CORPORATION, a New York corporation ("Seller"), and JIM WALTER CORPORATION, a Florida corporation ("Buyer").

SECTION I. PURPOSE OF AGREEMENT.

Seller owns, or holds under lease, plants, other real estate, equipment and machinery and owns inventories, accounts and notes receivable and certain other intangibles, relating to that part of the business carried on by its Fabricated Products Division which consists of manufacturing and selling building materials, including roofing products, fiberboard, medium density prime siding, gypsum board, building insulation and plastic pipe. Said plants are located at Birmingham (Fairfield), Alabama; Camden, Arkansas; Chicago (Sacramento), Illinois; Peoria, Illinois; Dubuque, Iowa; Carteret, Edgewater and Rockaway, New Jersey; Deposit, New York; Philadelphia (Grays Ferry) and Sunbury, Pennsylvania; San Antonio, Texas; and Chester, West Virginia. That part of said business of Seller is hereinafter called the "Barrett Business". Seller desires to sell to Buyer, and Buyer desires to buy, properties and assets of Seller relating to the Barrett Business on the terms and conditions set forth in this Agreement. It is the intention of the parties

that Buyer will after the Closing Date (as that term is hereinafter defined) be in a position to carry on the Barrett Business theretofore carried on by Seller.

SECTION II. REPRESENTATIONS AND WARRANTIES BY SELLER.

Seller represents and warrants to Buyer as follows:

(A) Seller has delivered to Buyer the following Exhibits, each of which has been initialed by the parties hereto and is accurate and complete:

Exhibit A:

A list and brief description of all real estate, plants and structures located thereon, equipment and machinery owned by Seller and used by it in the Barrett Business at March 31, 1967, and a description of all mortgages, liens and other encumbrances thereon at that date. Exhibit A shows, by location, the gross book value (original cost, plus any allocated good will and other increments appertaining thereto), the cumulative provisions for depreciation, depletion and amortization and the net book value (gross book value less such provisions) of the properties listed in such Exhibit. Exhibit A also shows those of such properties in which certain interests shall be reserved or granted to Seller.

Exhibit B:

A list and brief description of all leases and agreements under which at March 31, 1967, (i) Seller was lessee of, or held or operated, property, real or personal, of others which was then used by Seller in the Barrett Business and (ii) Seller was lessor of any property described in Exhibit A referred to above.

Exhibit C:

A list and brief description of all finished products, inventory in process, raw materials and supplies, owned by Seller at December 31, 1966, for use by it in the Barrett Business, and a statement showing in reasonable detail the respective quantities, unit and aggregate book values and bases of valuation thereof at that date, not to exceed the lower of cost or market.

Exhibit D:

(1) A list and brief description of all Seller's patents which were issued or applied for prior to March 31, 1967, and which pertain exclusively to the Barrett Business,

(2) A list and brief description of all Seller's patents which were issued or applied for prior to March 31, 1967, and which pertain in part, but not

exclusively, to the Barrett Business and

(3) A list and brief description of all Seller's research and development projects active at March 31, 1967, and not older than 1963, pertaining exclusively to the Barrett Business.

Exhibit E:

A list and brief description of all trademarks, trade names and copyrights developed, acquired or used by Seller and in effect at March 31, 1967, which pertain to the Barrett Business, except any trademark, trade name or copyright which consists of or includes the words "Allied Chemical" or the Allied Chemical logotype. Exhibit E also shows the trademarks, trade names and copyrights in which certain interests shall be reserved or granted to Seller pursuant to Section VI (I) hereof.

Exhibit F:

A list and brief description of all agreements in effect at March 31, 1967, pursuant to which Seller, in or for the operation of the Barrett Business, has licensed or been licensed by others. Exhibit F also shows the licenses in which certain interests shall be reserved or granted to Seller.

Exhibit G:

A list and brief description of all contracts to which Seller was a party at March 31, 1967, and which pertain to the Barrett Business, except (i) any contracts listed and described in any other Exhibit delivered under this Section II and (ii) all employees pension plans of Seller and all trust agreements relating to any pension plan of Seller.

Exhibit H:

A list of all accounts and notes receivable of Seller pertaining to the Barrett Business at March 31, 1967, showing customer name, address, balance due and status (aging) of each account or note.

Exhibit I:

A list of Barrett Business customers of Seller supplied from the plants described in Exhibits A and B referred to above between January 1, 1965, and March 31, 1967.

Since December 31, 1966, Seller has not, except in the ordinary course of business, sold or otherwise disposed of any of the finished products, inventory in process, raw materials and supplies described in Exhibit C referred to above, and since March 31, 1967, it has not, except in the ordinary

course of business, sold or otherwise disposed of any of its property or assets described in Exhibits A, B, D, E, F, G and H referred to above.

(B) Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of New York, and is duly qualified to transact business as a foreign corporation in all states where in the opinion of Seller the nature of the Barrett Business or ownership by Seller of property used in that Business requires such qualification.

(C) Seller has good and marketable title in fee simple to all real properties and owns outright all other properties referred to in Exhibit A referred to above (except any of such properties which have been sold or otherwise disposed of by Seller in the ordinary course of business) and owns outright all other assets and properties described in the Exhibits referred to in this Section II and to be sold to Buyer as provided herein, in each case free and clear of all mortgages, liens or encumbrances whatsoever, except as stated in such Exhibits. All plants described in Exhibits A and B referred to above and the machinery and equipment therein are in good repair or in a condition comparable to and consistent with general standards prevailing throughout the building materials industry.

(D) To the best of the knowledge and belief of the officers of Seller, in the conduct of the Barrett Business, Seller (1) does not infringe the valid scope of any existing United States patents and (2) owns or possesses adequate right to use all trade secrets, formulae, know-how, trademarks, trade names and copyrights now used by it in connection with the Barrett Business.

(E) Seller, in the conduct of the Barrett Business, is not a party to any written or oral collective bargaining agreement with a labor union other than those specified in Exhibit G referred to above.

(F) There are no actions, suits or proceedings at law or in equity or admiralty or before or by any federal, state, municipal or other governmental department, commission, board, agency or instrumentality, domestic or foreign, pending, or, to the knowledge and belief of any officer of Seller, threatened, against, by or affecting the Seller and relating to the Barrett Business, except minor actions, suits or proceedings which, in the opinion of Seller, do not materially affect the Barrett Business. Seller is not, to the knowledge and belief of any officer thereof, in default with respect to any judgment, order, writ, injunction, decree, assessment or other similar command of any court or federal, state, municipal or other governmental department, commission, board,

agency or instrumentality, domestic or foreign, relating to the Barrett Business.

(G) Except for minor cases which, in the opinion of Seller, do not materially affect the Barrett Business, to the best of the knowledge and belief of the officers of Seller, Seller, in the conduct of the Barrett Business, is complying with all laws, regulations and orders relating to the location or construction of its plants and operation of its business, including, without limiting the generality of the foregoing, laws, regulations and orders relating to fire or health hazards, zoning restrictions, collective bargaining, Workmen's Compensation, wages or hours, or employment of employees.

(H) Since December 31, 1966, there has been no material change in the business or operations of the Barrett Business other than changes occurring in the ordinary course of business and, to the best of the knowledge and belief of the officers of Seller, such changes will not materially adversely affect the business or operations of the Barrett Business.

SECTION III. REPRESENTATIONS AND WARRANTIES BY BUYER.

Buyer represents and warrants to Seller as follows:

(A) Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of

Florida. Buyer has delivered to Seller a complete and correct copy of the certificate of incorporation and by-laws of Buyer, each as amended to the date of this Agreement. Buyer has the corporate power to own its property and to carry on its business as now being conducted. It is duly qualified to do business and is in good standing in each jurisdiction in which in its opinion such qualification is necessary. At May 1, 1967, the authorized capital of Buyer consisted of 300,000 shares of 5% cumulative preferred stock, $20 par value per share, of which 251,860 shares were then issued and outstanding; 450,000 shares of $1.20 voting preferred stock, no par or stated value (convertible until January 31, 1971; $30 redemption value), of which 350,277 shares were then issued and outstanding; and 4,000,000 shares of common stock, 16-2/3 cents par value per share, of which 2,581,057 shares were then issued and outstanding, 95,725 shares were then reserved for issuance under outstanding options pursuant to the existing Stock Option Plans of Buyer, 350,277 shares were then reserved for issuance upon conversion of $1.20 voting preferred stock, 13,520 shares were then reserved for issuance upon conversion of 5% convertible notes of Buyer and not in excess of 60,000 shares may be issued in connection with a pending acquisition by Buyer. All such outstanding shares have been validly issued and are fully paid and nonassessable.

(B) Each of the subsidiaries of Buyer is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation, has the corporate power to own its property and to carry on its business as now being conducted, is duly qualified to do business and is in good standing, or is in the process of qualifying to do business, in each jurisdiction in which in the opinion of Buyer such qualification is necessary. The outstanding capital stock of each such subsidiary has been validly issued and is fully paid and nonassessable, except as may be otherwise required by applicable California law with respect to the outstanding shares of Brentwood Savings and Loan Association.

(C) Buyer has delivered to Seller the consolidated balance sheet of Buyer and its Consolidated Subsidiaries as of August 31, 1966, and the related statement of income and retained earnings for the year then ended, including the opinion thereon of Price Waterhouse & Co., independent accountants. In addition, Buyer has delivered to Seller the unaudited consolidated balance sheet of Buyer and its Consolidated Subsidiaries as of February 28, 1967, and the related statement of income and retained earnings for the six months then ended. In the opinion of Buyer, all such financial statements have been prepared in accordance with generally accepted accounting

principles and present fairly the consolidated financial position of Buyer and its Consolidated Subsidiaries as of August 31, 1966, and as of February 28, 1967, and the results of their operations for the year ended August 31, 1966, and the six months ended February 28, 1967. Since February 28, 1967, there has not been (1) any material change in the consolidated financial position of Buyer and its Consolidated Subsidiaries, other than changes in the ordinary course of business, and such changes have not materially adversely affected the business, property, or consolidated financial position of Buyer and its Consolidated Subsidiaries; (2) any damage, destruction or loss (whether or not covered by insurance) materially adversely affecting the property or business of Buyer and its Consolidated Subsidiaries; (3) any extraordinary increase in the compensation paid or payable by Buyer or its Consolidated Subsidiaries to any of their officers, employees or agents, including any direct payment or any indirect form of compensation made to or with respect to any such person; or (4) to the best knowledge and belief of the officers of Buyer any labor trouble or any event or condition of any character materially adversely affecting the business of Buyer and its Consolidated Subsidiaries, except as disclosed herein. As used in this Agreement, a "Consolidated Subsidiary" of Buyer shall mean a subsidiary of Buyer the

accounts of which are consolidated, for financial statement purposes, with those of Buyer.

(D) Buyer is not subject to any restriction contained in its certificate of incorporation, by-laws or in any mortgage, lien, lease, agreement, instrument, order, judgment or decree, or any other restriction of any kind or character under Florida law, which will prevent the consummation of the transactions contemplated by this Agreement, provided that Buyer shall take appropriate action to amend the provisions of its certificate of incorporation relating to its authorized capital stock so that such provisions shall be substantially as set forth in Schedule 1 annexed hereto.

SECTION IV. SALE AND CONVEYANCE.

(A) On the terms and subject to the conditions herein set forth, at the Closing Date Seller will sell, convey, transfer, assign and deliver to Buyer, and Buyer will purchase, acquire and accept, all the following described properties and assets of Seller (hereinafter called the Barrett Properties) free and clear of all mortgages, liens, charges or encumbrances whatsoever, except (i) as stated in the Exhibits referred to in Section II hereof and (ii), in the case of any of the properties referred to in clause (10) below, any mortgages, liens, charges or encumbrances thereon which shall have been in existence at the date of acquisition

by Seller of the particular property affected thereby or which shall have been created thereafter but shall not affect substantially the value of the particular property affected thereby:

(1) All the real estate, plants, structures, equipment, machinery and other properties described in Exhibit A referred to above, except the interests reserved or granted to Seller in certain of the properties described as stated in such Exhibit A;

(2) All the rights of Seller at the Closing Date under the leases and agreements described in Exhibit B referred to above;

(3) All the finished products, inventory in process, raw materials and supplies that shall be owned by Seller at the Closing Date and for use by it in the Barrett Business;

(4) All the rights of Seller at the Closing Date under its patents and applications therefor which are described in Exhibit D (1) referred to above, and all available original records of inventions, applications, work sheets, office actions and all related documents affecting any of such patents and applications;

(5) All the rights of Seller at the Closing Date

under its trademarks, trade names and copyrights which are described in Exhibit E referred to above (together with all the good will of Seller associated with such rights as of the Closing Date), except the interests reserved or granted to Seller pursuant to Section VI (I) hereof in certain of such trademarks, trade names and copyrights as stated in such Exhibit E;

(6) All rights of Seller at the Closing Date under the agreements described in Exhibit F referred to above, except the interests reserved or granted to Seller as stated in such Exhibit F;

(7) All rights of Seller at the Closing Date under all contracts to which it shall then be a party and which shall pertain to the Barrett Business, except (i) any contract referred to elsewhere in this Section IV (A) and (ii) all employees pension plans of Seller and all trust agreements relating to any pension plan of Seller; provided, however, that in the case of any such contracts (except as aforesaid) which shall pertain in part to the Barrett Business and in part to other business of Seller the rights of Seller thereunder which shall be assigned and transferred to Buyer shall be only those which pertain to the Barrett Business;

(8) All accounts and notes receivable of Seller

pertaining to the Barrett Business as of the Closing Date;

(9) All books and records of Seller relating to the Barrett Business and covering any period of time after December 31, 1959, and prior to the Closing Date (including those records of Seller which it in the exercise of its best efforts shall locate relating to its research and development projects active at the Closing Date and not older than 1963 pertaining exclusively to the Barrett Business), except those which shall have become an integral part of Seller's records, as to which Buyer shall have access at all reasonable times for all proper purposes; and

(10) All real estate, plants, structures, equipment and machinery of the character described in Exhibit A referred to above, all rights of Seller under leases, agreements, patents and applications for patents of the character described in Exhibits B, D (1) and F referred to above, and all rights of Seller under trademarks, trade names and copyrights of the character described in Exhibit E referred to above, that shall have been acquired by Seller in the ordinary course of business after March 31, 1967, and prior to the Closing Date and shall be owned by it and used by it in the

Barrett Business at the Closing Date;

EXCEPT, however, any of the real estate, plants, structures, equipment and machinery described in Exhibit A referred to above and any of the rights of Seller under leases, agreements, patents and applications for patents described in Exhibits B, D (1) and F referred to above, and any rights of Seller under trademarks, trade names and copyrights described in Exhibit E referred to above, that shall have been sold or otherwise disposed of by Seller in the ordinary course of business after March 31, 1967, and prior to the Closing Date.

Notwithstanding anything to the contrary in this Agreement or in the Exhibits referred to above or in any conveyance, assignment, transfer or other instrument given pursuant hereto, no rights will be sold, assigned, conveyed, transferred or granted to Buyer either expressly or by implication in respect of any business or good will of Seller other than that of or relating to its Barrett Business. In particular, Buyer shall acquire no rights in the paving materials business of Seller or in any other business administered by Seller's Fabricated Products Division or by any other Division of Seller.

(B) Seller will retain title to its rights under

the patents and applications for patents described in Exhibit D (2) referred to above. Seller agrees at the Closing Date, to the extent that such rights permit, to grant to Buyer an irrevocable, nonexclusive, paid-up license, in form satisfactory to Buyer's counsel, to manufacture, or to have manufactured for it, use and sell under such patents and applications products relating to the Barrett Business. Notwithstanding anything to the contrary in this Agreement, Seller shall not be under any obligation to keep in force or effect after the Closing Date any of its foreign patents or applications for patents.

(C) Buyer shall not assume any liabilities of Seller except as provided in the next sentence. Buyer shall at the Closing Date assume, and agree to exonerate and indemnify Seller and hold Seller harmless against, (a) any and all product liabilities (not involving Roofing Guaranty Bonds) arising out of the conduct of the Barrett Business by Seller prior to the Closing Date as to which claims are first made after the Closing Date, except any such liabilities arising out of claims which shall relate to urethane roofing insulation or Baraboard siding and (i) which shall be made in writing to Seller within the period of one year after the Closing Date or (ii) of which Buyer shall have obtained knowledge and advised Seller in writing within such period,

(b) any and all liabilities involving Roofing Guaranty Bonds issued in the conduct of the Barrett Business prior to the Closing Date as to which claims are first made in writing after the Closing Date and (c) any and all obligations of Seller under each of the leases, agreements and contracts rights under which are to be assigned to Buyer pursuant to the provisions of clauses (2), (6), (7) and (10) of Section IV (A) hereof, or the benefits of which Buyer shall receive pursuant to Section VI (H) hereof, if and to the extent that such obligations are under the provisions of said lease, agreement or contract to be performed after the Closing Date; provided, however, that in the case of any such lease, agreement or contract which shall pertain in part to the Barrett Business and in part to other business of Seller the obligations of Buyer to which this sentence shall relate shall be only those which pertain to the Barrett Business. Seller agrees to exonerate and indemnify Buyer and hold Buyer harmless against any and all liabilities and obligations of Seller relating to the conduct of the Barrett Business by Seller prior to the Closing Date not specifically assumed by Buyer under the provisions of this Agreement.

(D) The sale, conveyance, transfer, assignment and delivery of the Barrett Properties to Buyer, as herein provided, shall be effected (1) in the case of real proper-

ties, by deeds containing a warranty against grantor's acts, proper in the jurisdictions in which the respective parcels are located to vest all Seller's title therein in Buyer; (2) in the case of tangible personal property, by an appropriate assignment in bulk, together with such other appropriate instruments of title as Buyer may reasonably request, but without warranties of any kind, express or implied, except, as to properties owned by Seller, a warranty of title in Seller; (3) in the case of rights under leases, agreements and contracts, by assignment (in which Buyer will agree to assume Seller's relevant liabilities and obligations as provided in Section IV (C) hereof) of all rights of Seller, but without warranties of any kind, express or implied; and (4) in the case of other Barrett Properties, including accounts and notes receivable, by appropriate instrument as Buyer shall reasonably request, but without warranties of any kind, express or implied, except a warranty that Seller has not created a security interest in such accounts and notes receivable in any third person. Seller will assume payment, pay or cause to be discharged, prior to the time of the delivery of any deed of real estate, all matured instalments of special assessments, liens or encumbrances, if any, imposed by any governmental or political agency upon the real estate covered thereby which shall have become due or

payable or which it shall have incurred liability to pay, on or before the Closing Date. Other taxes and charges and prepaid and accrued items on or relating to the Barrett Properties, including the following, will be apportioned as of the Closing Date: (a) interest on notes receivable, (b) rents in respect of the leases rights under which are to be transferred to Buyer, (c) payments under contracts of Seller with others for servicing of equipment, (d) charges for electric power, water, telephones, sewers and similar services, (e) other accrued liabilities, except those expressly to be discharged by Seller, and (f) other prepaid expenses.

(E) Seller will, at any time or from time to time after the Closing Date, upon request of Buyer, do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, all such further acts, deeds, assignments, transfers, conveyances, powers of attorney and assurances as may be reasonably required for the better assigning, transferring, granting, conveying, assuring and confirming to Buyer, or to its successors and assigns, or for aiding and assisting in collecting and reducing to possession, any and all the Barrett Properties.

(F) Buyer will exonerate, indemnify and hold Seller harmless against and in respect of any claim for brokerage or other commissions relative to this Agreement

or to the transactions contemplated hereby, based in any way on agreements, arrangements or understandings made by Buyer with any other party or parties whatsoever. Seller will exonerate, indemnify and hold Buyer harmless against and in respect of any claim for brokerage or other commissions relative to this Agreement or to the transactions contemplated hereby based in any way on agreements, arrangements or understandings made by Seller with any other party or parties whatsoever.

(G) Buyer shall pay any documentary or other tax resulting from the issue of, or the delivery to Seller of certificates for, the new Class A Preferred Stock, Series 1, of Buyer which is to be issued pursuant to this Agreement described in Schedule 1 attached hereto (the "New Preferred Stock"), which may at the Closing Date have a different title. Seller shall pay any other documentary taxes, and the party which shall have the primary liability therefor under the law of the taxing jurisdiction shall pay any sales and transfer taxes, in connection with the sale, conveyance, transfer, assignment and delivery to Buyer of the Barrett Properties as herein provided.

(H) Buyer waives compliance by Seller with any applicable Bulk Sales Act or other similar law of any state; provided, however, that Seller shall exonerate and indemnify

Buyer, and hold Buyer harmless, against any liability or claim arising as a result of said waiver.

SECTION V. PAYMENT.

(A) The term "Purchase Price", when used herein, means the sum of (a) the net book value (original cost, plus any allocated good will and other increments appertaining thereto, less the cumulative provisions for depreciation, depletion and amortization) at the close of business on the business day next preceding the Closing Date (such close of business being hereinafter called the "Valuation Date") of all real estate, plants, structures, equipment and machinery owned by Seller and used by it in the Barrett Business at the Valuation Date, stated on the same basis of valuation as that used in preparing Exhibit A referred to above; (b) the total amount of the book values of finished products, inventory in process, raw materials and supplies owned by Seller at the Valuation Date for use by it in the Barrett Business, stated on the same bases of valuation as those used in preparing Exhibit C referred to above and in accordance with generally accepted accounting principles; (c) 95% of the total of the balances due at the Valuation Date on all accounts and notes receivable of Seller pertaining to the Barrett Business, stated on the same basis of valuation as that used in pre-

paring Exhibit H referred to above; and (d) One million dollars ($1,000,000).

(B) At the Closing Date Seller shall furnish to Buyer a statement (the "Preliminary Statement") which shall show as of June 30, 1967, the sum of (a) the net book value (original cost, plus any allocated good will and other increments appertaining thereto, less the cumulative provisions for depreciation, depletion and amortization) at June 30, 1967, of all real estate, plants, structures, equipment and machinery owned by Seller and used by it in the Barrett Business at June 30, 1967, stated on the same basis of valuation as that used in preparing Exhibit A referred to above; (b) the total amount of the book values of finished products, inventory in process, raw materials and supplies owned by Seller at June 30, 1967, for use by it in the Barrett Business, stated on the same bases of valuation as those used in preparing Exhibit C referred to above and in accordance with generally accepted accounting principles; and (c) 95% of the total of the balances due at June 30, 1967, on all accounts and notes receivable of Seller pertaining to the Barrett Business, stated on the same basis of valuation as that used in preparing Exhibit H referred to above. 90% of the aggregate of (i) such sum and (ii) One million dollars ($1,000,000) is hereinafter referred to as the "Tentative

Purchase Price".

(C) Buyer will deliver to Seller at the Closing Date (1) a certified or official bank check in New York Clearing House funds in the amount of Twenty million dollars ($20,000,000); (2) certificates (in such denominations as Seller may reasonably request) for that number of shares of the New Preferred Stock which shall be equal to the result obtained by dividing by Forty dollars ($40) the excess of the Tentative Purchase Price over Twenty million dollars ($20,000,000); and (3) one or more instruments, in form satisfactory to Seller, by which Buyer will assume the liabilities and obligations of Seller to be assumed by Buyer hereunder. Any fractional share resulting from any computation under this Section V (C) shall be ignored and shall not be issued by Buyer. The statement to be included in the certificate of incorporation of Buyer setting forth designations, preferences, privileges, conversion rights and voting powers of the shares of the New Preferred Stock, and the restrictions and qualifications thereof, shall be substantially in the form of Schedule 1 annexed hereto.

(D) At such date and time (the "Adjustment Date"), not later than twenty days after the Closing Date, as shall be specified in a written notice given by Seller to Buyer not less than ten days prior thereto, Seller shall furnish

to Buyer a statement which shall show the Purchase Price and information, corresponding to that included in the Preliminary Statement, showing the respective amounts that shall be used in computing the Purchase Price.

(E) At the Adjustment Date Buyer will deliver to Seller, or Seller will deliver to Buyer, as the case may require, certificates for that number of shares of the New Preferred Stock which shall be equal to the result obtained by dividing by Forty dollars ($40) the difference between the Tentative Purchase Price and the Purchase Price. Any fractional share resulting from any computation under this Section V (E) shall be ignored.

SECTION VI. FURTHER AGREEMENTS.

(A) Buyer may, prior to the Closing Date, make such investigation of the plants and other properties of Seller used in the Barrett Business as it shall deem necessary or advisable. Seller will permit Buyer to have, after the date hereof, full access (at reasonable times and in such a manner as not to interfere with operations) to such plants and properties and to all its books and records relating to the Barrett Business and Seller will furnish Buyer with such data and any other information with respect to such plants and properties and the Barrett Business as

Buyer shall from time to time reasonably request. In the event that this Agreement shall not be carried out, Buyer shall keep confidential any information (except that readily ascertainable from public or published information or trade sources) obtained from Seller concerning such plants or properties or the Barrett Business and shall return to Seller any written information obtained from Seller in connection therewith.

(B) Except as may first be approved in writing by Seller or as is otherwise required or permitted by this Agreement, prior to the Adjustment Date Buyer (1) will not take any corporate action to amend its certificate of incorporation, (2) will not sell or otherwise dispose of or mortgage, pledge or otherwise encumber, or permit any Consolidated Subsidiary to sell or otherwise dispose of or to mortgage, pledge or otherwise encumber, all or substantially all the assets of Buyer or of any Consolidated Subsidiary to any corporation other than, in the case of a Consolidated Subsidiary, to Buyer or another Consolidated Subsidiary, (3) will not authorize any new class of shares other than the New Preferred Stock and will not issue or take any corporate action to issue any authorized but unissued shares of its 5% cumulative preferred stock or its $1.20 voting preferred stock or any authorized but unissued shares of its common

stock except (a) shares issued upon the due conversion of shares of its $1.20 voting preferred stock, (b) shares issued pursuant to its Stock Option Plans, (c) shares issued upon the due conversion of its 5% convertible notes payable and (d) not in excess of 60,000 shares that may be issued in connection with a pending acquisition by Buyer, (4) will not declare or pay any dividend, or make any other distribution, in cash or property to stockholders of Buyer which, having regard to past dividend policies of Buyer, would be considered to be inconsistent with such policies and (5) will not merge or consolidate with or into or permit any Consolidated Subsidiary to merge or consolidate with or into, any corporation other than, in the case of a Consolidated Subsidiary, Buyer or another Consolidated Subsidiary.

(C) Between the date hereof and the Closing Date, Seller, in the conduct of the Barrett Business, will not, except as may first be approved in writing by Buyer or as is otherwise required or permitted by this Agreement (1) incur any obligation or liability (absolute or contingent) except current liabilities incurred, and obligations under contracts entered into, in the ordinary course of business; (2) mortgage, pledge or subject to lien, charge or any other encumbrance, any of the Barrett Business assets or properties, tangible or intangible; (3) sell or otherwise dispose

of any such assets or properties, except in the ordinary course of business; (4) waive any rights of substantial value; (5) enter into any transaction not in the ordinary course of business; or (6) make any changes in employee or officer compensation otherwise than in the ordinary course of business.

(D) Buyer shall call a meeting of its stockholders for the purpose of acting upon the appropriate transactions contemplated by this Agreement and shall recommend to its stockholders that they take affirmative action with regard to such transactions. Such meeting shall be called to be held with reasonable promptness after clearance of the proxy material required to be filed with the Securities and Exchange Commission (the "SEC") in connection with said meeting, and Seller will cooperate with Buyer in all reasonable respects by furnishing information in its possession as may be required for the preparation and clearance of such proxy material. If for any reason the business for which said meeting is called cannot be transacted thereat on the date for which originally called, Buyer shall use its best efforts to cause the meeting or meetings at which such business cannot be transacted to be adjourned for a period or periods not in excess of 30 days, unless a later date is consented to by the parties hereto.

(E) Buyer covenants that, when the certificates for any of the shares of the New Preferred Stock that are to be delivered to Seller pursuant to the foregoing provisions of Sections V (C) and V (E) hereof shall be so delivered, such shares will be validly issued and fully paid and nonassessable and will be preferred as to dividend and liquidation rights to Buyer's common stock and will be issued under the provisions of the certificate of incorporation of Buyer substantially the same as those set forth in Schedule 1 annexed hereto.

(F) Buyer covenants that (1) any shares of Buyer's common stock which shall be issued on the conversion of shares of the New Preferred Stock in accordance with the provisions of the certificate of incorporation of Buyer substantially the same as those set forth in Schedule 1 annexed hereto will be validly issued and fully paid and nonassessable and (2) at all times after the Closing Date Buyer will have duly reserved for the conversion of the New Preferred Stock a number of shares of its common stock sufficient for the conversion of all outstanding shares of the New Preferred Stock.

(G) Buyer shall have the right and authority to collect, for the account of Buyer, all receivables and other items which shall be transferred to Buyer as provided herein,

and to endorse with the name of Seller any checks received on account of any such receivables, or such other items, and Seller will transfer and deliver to Buyer as soon as practicable after collection thereof any cash or other property that Seller may receive in respect of such receivables or such other items.

(H) If the assignment of the rights under any lease, agreement, contract or other instrument which are included in the Barrett Properties (1) shall require the consent of the other party thereto and such consent shall not be obtained or (2) shall not be permitted by law, this Agreement shall not constitute an agreement to assign such rights. Seller will use its best efforts to obtain the consent, where required, of the other party or parties to any such lease, agreement, contract or other instrument to the assignment of such rights thereunder to Buyer. In any such case where such consent shall not be obtained and in any case where the assignment of the rights shall not be permitted by law, Seller will cooperate with Buyer in any reasonable arrangement designed to provide for Buyer the benefits of the rights of Seller under the lease, agreement, contract or other instrument.

(I) At the Closing Date Seller will reserve to itself or Buyer will grant to it certain interests in cer-

tain trademarks, trade names and copyrights as stated in Exhibit E referred to above. As illustrative of rights reserved to Seller, Seller expressly retains its entire right, title and interest in and to the trademark "BARRETT" for road-making and paving materials, plastic dinnerware, plastic films, chemicals, raw materials for use in manufacturing, and other products not marketed in connection with the Barrett Business, and for services relating to said products. Buyer shall have exclusive use of the trademark "BARRETT" in the business transferred, and Seller shall have exclusive use thereof in the businesses which it retains, and more particularly in its chemicals and intermediates business and in its road-making and paving materials business, and each agrees that it will not interfere with the other's exclusive rights in their respective fields of use. Notwithstanding the foregoing, Seller will not grant to any other person any interest in and to the trademark "BARRETT" for use in any business of a character similar to the Barrett Business.

(J) (1) Prior to the Closing Date Buyer will at its expense use its best efforts to effect the registration under the Securities Act of 1933, as amended (the "1933 Act"), of all the shares of the New Preferred Stock that are to be issued to Seller pursuant to the provisions of this Agreement

and all the shares of Buyer's common stock into which such shares of the New Preferred Stock shall be convertible. The registration statement effecting such registration shall cover the issue of all such shares of the New Preferred Stock to Buyer pursuant to this Agreement and of all such shares of such common stock on the conversion of such shares of the New Preferred Stock and also, if and to the extent that it shall be possible, the sale at any time or from time to time of any of or all such shares of both classes by Seller by means of an underwritten distribution or other public sale. Buyer will use its best efforts to have, at all times during the period from the Closing Date to August 31, 1970, or any earlier date on which Seller shall have sold all the shares covered by such registration statement and any purchaser of such shares shall no longer be required to deliver a prospectus in connection with a distribution of such shares, inclusive (such period being hereinafter called the "Registration Period"), such registration statement, any prospectus included therein and any amendment or supplement to any of the foregoing (i) comply in all material respects with the provisions of the 1933 Act and the rules and regulations of the SEC thereunder and (except as to any statement or omission made in reliance upon and in conformity with information furnished in writing to Buyer by an instrument duly

executed by Seller specifically for use in the preparation thereof), (ii) not include an untrue statement of a material fact or (iii) not omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; and, if at any time such registration statement, prospectus, amendment or supplement shall not so comply or shall include such an untrue statement or omit to state such a fact, Buyer will promptly give notice to Seller thereof. Upon notice to Seller to that effect Seller will not sell or otherwise dispose of any of the shares covered by such registration statement until Buyer shall have had an opportunity to make the appropriate amendments or add the appropriate supplements thereto, unless and except to the extent that counsel for Seller (or other counsel who shall be satisfactory to Buyer and Seller) shall advise Buyer and Seller that such shares may be sold without registration under the 1933 Act.

(2) Buyer will, at its expense, use its best efforts to cause such registration statement to remain effective for the Registration Period and in that connection will

(a) prepare and file with the SEC, as promptly as practicable, such amendments and supplements to such registration statement, including any prospectus that shall be a part thereof, as may be necessary to keep

such registration statement effective and to comply in all material respects with the provisions of the 1933 Act and the rules and regulations of the SEC thereunder in order to permit the sale or other disposition by Seller from time to time of any of or all the shares covered by such registration statement in any manner contemplated by such registration statement (including the sale of them by Seller by means of an underwritten public offering); provided, however, that (i) Buyer shall not during the Registration Period be required to file more than three amendments to the registration statement for the purpose of permitting Seller to sell any of such shares by means of an underwritten public offering and (ii) Seller shall pay the disbursements and out-of-pocket expenses of Buyer in connection with any such underwritten public offering other than the first of such underwritten public offerings;

(b) subject to clause (ii) of the proviso set forth in the foregoing subdivision (a), furnish to Seller, any underwiter and any other person acting on Seller's behalf such number of copies of any prospectus included in such registration statement, of any amendment or supplement thereto and of other documents necessary or incidental thereto as Seller or such under-

writer or other person may reasonably request; and

(c) subject to clause (ii) of the proviso set forth in the foregoing subdivision (a), furnish to Seller and any such underwriter or other person such legal opinions and accountants' "comfort" letters as Seller or such underwriter or other person may reasonably request.

(3) If at any time after the Registration Period (i) Seller shall own any of or all the shares of the New Preferred Stock that shall have been issued to Seller pursuant to the provisions of this Agreement or shares of common stock of Buyer that shall then be owned by Seller as the result of conversion of shares of the New Preferred Stock, (ii) Seller shall give written notice to Buyer of Seller's desire to sell or otherwise dispose of any of or all such shares and (iii) counsel for Seller (or other counsel who shall be satisfactory to Buyer and Seller) shall have advised Buyer and Seller that registration of the shares which Seller shall desire to sell is required under the 1933 Act in connection with the proposed sale or other disposition, then Buyer will use its best efforts promptly to effect the registration of such shares under the 1933 Act. The registration statement effecting such registration, any prospectus included therein and any amendment or supplement to any of the foregoing will

at all times during the period from the effective date of such registration statement to the date on which Seller shall have sold all the shares covered by such registration statement and any purchaser of such shares shall no longer be required to deliver a prospectus in connection with a distribution of such shares comply in all material respects with the provisions of the 1933 Act and the rules and regulations of the SEC thereunder and (except as to any statement or omission made in reliance upon and in conformity with information furnished in writing to Buyer by an instrument duly executed by Seller specifically for use in the preparation thereof) will not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. In connection with the registration of such shares Buyer will

(a) furnish to Seller, any underwriter and any other person acting on Seller's behalf such number of copies of any prospectus included in such registration statement, of any amendment or supplement thereto and of other documents necessary or incidental thereto as Seller or such underwriter or other person may reasonably request; and

(b) furnish to Seller and any such underwriter or

other person such legal opinions and accountants' "comfort" letters as Seller or such underwriter or other person may reasonably request.

Seller shall pay the disbursements and out-of-pocket expenses of Buyer in connection with the registration of shares pursuant to this paragraph (3) and in connection with the furnishing of material pursuant to subdivisions (a) and (b) thereof.

(4) If in connection with the sale or other disposition by Seller of any of or all the shares of the New Preferred Stock that shall have been issued to Seller pursuant to the provisions of this Agreement or of any of or all the shares of common stock of Buyer that shall be owned by Seller as the result of conversion of shares of the New Preferred Stock Seller shall so request in a written request to Buyer, Buyer will use its best efforts to

(a) register or qualify the shares covered by the request under such securities or blue sky laws of such states of the United States as shall be reasonably specified in such request, and do any and all such other acts and things as may be necessary to enable Seller to consummate the sale or disposition of those of such shares to be sold by Seller in such state; provided, however, that Buyer shall not be obligated to qualify to do business in any jurisdiction where

it shall not at the time be qualified or to take any action which would subject it to the service of process in suits, other than those arising out of the offer or sale of such shares, in any state where it shall not at the time be so subject; and

(b) cause the shares covered by such request, if not then listed, to be listed on the New York Stock Exchange and registered under the Securities Exchange Act of 1934, as amended.

Seller shall pay the disbursements and out-of-pocket expenses that Buyer shall incur in the performance of the obligations of Buyer under this paragraph (4), except those relating to the first sale or other disposition by Seller of any of the above-mentioned shares.

(5) Buyer will as promptly as practicable after the Closing Date cause the shares of common stock of Buyer reserved for issuance upon conversion of the New Preferred Stock to be listed, subject to official notice of issuance, on the New York Stock Exchange.

(6) Buyer agrees to defend, exonerate, indemnify and hold harmless Seller, any underwriter and any other person acting on Seller's behalf (and their respective successors) from and against any and all losses, claims, damages or liabilities (including legal and other expenses incurred

in investigating or defending against the same), joint or several, to which Seller, such underwriter or other person may become subject under the 1933 Act or any other statute or common law or otherwise, arising out of or based upon (a) any untrue statement or any alleged untrue statement of a material fact contained in any registration statement which Seller shall file pursuant to the provisions of this Section VI (J), in any preliminary or final prospectus included therein or in any amendment or supplement to any of the foregoing or (b) the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading; provided, however, that Buyer will not be liable in any case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in any such registration statement, prospectus, amendment or supplement in reliance upon and in conformity with information furnished in writing to Buyer through an instrument duly executed by Seller specifically for use in the preparation thereof.

(7) Any disbursements or out-of-pocket expenses of Buyer which Seller is required by the provisions of this Section VI (J) to pay shall not be deemed to include any

compensation paid by Buyer to any of its regular employees or any overhead of Buyer. The term "underwriter" as used in this Section VI (J) means a person, firm or corporation which shall be an underwriter or may be deemed to be an "underwriter" under the 1933 Act.

(8) Seller will cooperate with Buyer in all reasonable respects by furnishing information in its possession as may be required for the preparation and clearance of any registration statement pursuant to the provisions of this Section VI (J) and any amendment or supplement thereto and for keeping current as required the statements set forth therein.

SECTION VII. CLOSING.

The Closing under this Agreement shall take place at 10 A.M., Eastern Standard Time, on August 1, 1967, at the office of First National Bank of Jersey City, One Exchange Place, Jersey City, New Jersey, or at such other time and place as the parties hereto shall agree upon in writing. The time at which the Closing shall take place pursuant to the foregoing provisions of this Section VII is in this Agreement called the Closing Date.

SECTION VIII. CONDITIONS PRECEDENT AS TO BUYER.

The obligations of Buyer hereunder are, at the

option of Buyer, subject to the conditions that on or before the Closing Date:

(A) Buyer shall have received an opinion of John M. Gaston, Jr., counsel for Seller, dated the Closing Date, in form and substance satisfactory to Buyer, to the effect that

(1) Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of New York and is duly qualified, and has corporate capacity, to carry on the Barrett Business and to own, lease or operate the Barrett Properties as and in the places where such Business is then being conducted or such Properties are then owned, leased or operated; and

(2) Seller has full power and authority to make, execute, deliver and perform this Agreement, which has been duly authorized and approved by proper corporate action of Seller and which is a valid obligation of Seller legally binding upon it in accordance with its terms.

(B) Buyer shall have received title insurance or opinions of counsel who shall be satisfactory to Buyer, in each case in form and substance satisfactory to it, covering the good and marketable title in fee simple of Seller in and

to the real properties included in the Barrett Properties, free and clear of all mortgages, liens or other encumbrances whatsoever, except those referred to in the first sentence of Section IV (A) hereof, and the due authorization, execution and delivery and legal effectiveness in accordance with their respective terms, and sufficiency for purposes of recordation or filing, of the instruments of sale, conveyance, transfer and assignment from Seller to Buyer of such real properties. Seller and Buyer shall each bear one-half of the expense of obtaining such title insurance and opinions.

(C) Buyer shall not have discovered any material error, misstatement or omission in the representations and warranties made by Seller herein, and all the terms, covenants and conditions of this Agreement to be complied with and performed by Seller on or before the Closing Date shall have been complied with and performed.

(D) The Barrett Business and the properties used therein shall not have been adversely affected in any material way as a result of any fire, accident or other casualty, labor disturbance or act of God or the public enemy.

(E) The representations and warranties made by Seller herein shall be correct, as of the Closing Date, with the same force and effect as though such representations and warranties had been made as of the Closing Date, except to

the extent that such representations and warranties shall be incorrect as of the Closing Date because of events or changes occurring or arising after the date hereof in the ordinary course of business of the Barrett Business or as contemplated by this Agreement.

(F) There shall have been no changes in the Barrett Business or the properties used therein since March 31, 1967, which would have a materially adverse effect on the value of the Barrett Business.

SECTION IX. CONDITIONS PRECEDENT AS TO SELLER.

The obligations of Seller hereunder are, at the option of Seller, subject to the conditions that on or before the Closing Date:

(A) Seller shall have received an opinion of Messrs. Shackleford, Farrior, Stallings, Glos & Evans, of Tampa, Florida, dated the Closing Date, in form and substance satisfactory to Seller to the effect that:

(1) Buyer is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida and is duly qualified, and has corporate capacity, to carry on its business as then being conducted and to own, lease or operate its properties as and in the places where such business is then being

conducted or such properties are then owned, leased or operated;

(2) Buyer has full power and authority to make, execute, deliver and perform this Agreement, which has been duly authorized and approved by proper corporate action of Buyer and which is a valid obligation of Buyer legally binding upon it in accordance with its terms;

(3) The shares of the New Preferred Stock which are to be issued pursuant to the terms of this Agreement will, when so issued, be validly issued and fully paid and nonassessable and preferred with respect to dividend and liquidation rights to Buyer's common stock and will be issued under the provisions of the certificate of incorporation of Buyer substantially the same as those set forth in Schedule 1 annexed hereto; and

(4) any shares of Buyer's common stock which shall be issued on conversions of shares of the New Preferred Stock in accordance with the provisions of the certificate of incorporation of Buyer substantially the same as those set forth in Schedule 1 annexed hereto will be validly issued and fully paid and nonassessable and the shares of common stock issuable upon such conversions have been duly reserved for such issuance.

(B) Seller shall not have discovered any material error, misstatement or omission in the representations and warranties made by Buyer herein, and all the terms, covenants and conditions of this Agreement to be complied with and performed by Buyer on or before the Closing Date shall have been complied with and performed.

(C) The business and properties of Buyer shall not have been adversely affected in any material way as a result of any fire, accident or other casualty, labor disturbance or act of God or the public enemy.

(D) The representations and warranties made by Buyer herein shall be correct, as of the Closing Date, with the same force and effect as though such representations and warranties had been made as of the Closing Date, except to the extent that such representations and warranties shall be incorrect as of the Closing Date because of events or changes occurring or arising after the date hereof in the ordinary course of business of Buyer or as contemplated by this Agreement.

(E) There shall have been no changes in the business or properties of Buyer since February 28, 1967, which would have a materially adverse effect on the value of its business.

(F) The registration statement referred to in Sec-

tion VI (J) (1) hereof shall have become effective; no stop order suspending the effectiveness thereof shall be in effect at the Closing Date; and no proceedings therefor shall be pending or threatened by the SEC at the Closing Date.

SECTION X. CONDITIONS PRECEDENT AS TO SELLER AND BUYER.

(A) The respective obligations of Buyer and Seller hereunder are subject to the condition that on or before the Closing Date stockholders of Buyer shall have taken the affirmative action required to be taken by them with regard to the transactions contemplated by this Agreement.

(B) All corporate proceedings to be taken and all instruments to be executed and delivered by Seller in the performance of its obligations under this Agreement shall be subject to the approval of counsel for Buyer; and all corporate proceedings to be taken and all instruments to be executed and delivered by Buyer in the performance of its obligations under this Agreement shall be subject to the approval of counsel for Seller.

SECTION XI. SURVIVAL OF REPRESENTATIONS AND WARRANTIES.

The representations and warranties of Seller in Sections II (A) and II (C) hereof which relate to the state

of Seller's title to real properties shall not survive the Closing Date. Each of the other representations and warranties of the parties contained in Sections II and III hereof shall survive for a period of one year from the Closing Date and no longer, and no action may be brought on any representation or warranty after it shall have ceased to survive.

SECTION XII. ASSIGNABILITY OF AGREEMENT.

This Agreement shall not be assignable by either party except with the written consent of the other, and any purported assignment without such consent shall be void, provided, however, that Seller and Buyer contemplate that Buyer shall be entitled to direct that the sale, conveyance, transfer, assignment and delivery of the Barrett Properties shall be made to a Consolidated Subsidiary of Buyer. Nothing in this Agreement, express or implied, is intended to confer upon any person, other than the parties hereto and their successors and assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

SECTION XIII. MISCELLANEOUS.

(A) Seller and Buyer will negotiate in good faith the terms of supplementary agreements under which, after the Closing Date, (a) Seller will supply to Buyer, and Buyer will supply to Seller, at their respective plants at Birmingham

(Fairfield), Alabama, Chicago (Sacramento), Illinois, and Edgewater, New Jersey, their respective requirements of steam, water, fuel oil and certain services (including packaging, warehousing and shipping), on the basis that the party supplying such services shall be paid the costs (including a reasonable apportionment of overhead costs) of such steam, water, fuel oil and services plus 10% per year of the net book value of the capital assets used to supply such steam, water, fuel oil and services (but, in the case of any capital assets which shall have been acquired by Buyer from Seller pursuant to this Agreement, not in excess of the net book value thereof on the books of Seller at the Closing Date), and (b) Seller will grant to Buyer, and Buyer will grant to Seller, such leases, easements and rights-of-way as shall be reasonably necessary for practical operation of the respective plants of Seller and Buyer at said locations. The failure of Seller and Buyer so to agree shall not affect the enforceability of this or any other provision of this Agreement.

(B) Any notice, request, instruction or other document to be given hereunder by either party hereto to the other shall be in writing and (i) sent by registered United States mail, postage prepaid, and confirmed by telegram, or (ii) delivered personally, if to Seller, addressed

to Seller at 61 Broadway, New York, New York 10006, Attention: Daniel B. Lovejoy, Treasurer, and if to Buyer, addressed to Buyer at 1500 North Dale Mabry Highway, Tampa, Florida 33607, Attention: Joe B. Cordell, Vice President. For the purposes of this paragraph the date when mailing and sending of confirmation shall be completed shall be deemed to be the date of delivery.

SECTION XIV. ENTIRE AGREEMENT.

This instrument, including Schedule 1 annexed hereto, and the Exhibits and other papers which have been delivered by either party to the other as stated herein contain the entire agreement at this date between the parties hereto with respect to the transactions contemplated herein.

IN WITNESS WHEREOF, Jim Walter Corporation and Allied Chemical Corporation have caused this Agreement to be signed in their respective corporate names by their respective Vice Presidents thereunto duly authorized and their respective corporate seals to be hereunto affixed and to be attested by their respective Secretaries or one

of their respective Assistant Secretaries, as of the day and year first above written.

ALLIED CHEMICAL CORPORATION,

by _____
Vice President

Attest:

_____
Asst Secretary

JIM WALTER CORPORATION,

by _____
Vice President

Attest:

_____
Secretary

Schedule 1

Proposed Amended Article III of Certificate of Incorporation of Jim Walter Corporation

(a) The number of shares of capital stock authorized to be issued by this Corporation is 7,750,000 shares, of which a maximum of 300,000 shares shall be 5% cumulative preferred stock, $20 par value per share, hereinafter called "Preferred Stock", a maximum of 450,000 shares shall be $1.20 Voting Preferred Stock, no par or stated value (convertible until January 31, 1971, $30 redemption value), hereinafter called "$1.20 Voting Preferred Stock", a maximum of 1,000,000 shares shall be Class A Preferred Stock, no par or stated value, hereinafter called "Class A Preferred Stock", and a maximum of 6,000,000 shares shall be common stock, 16-2/3 cents par value per share, hereinafter called "Common Stock". Any stock of this Corporation having any preference or priority over the Common Stock, whether presently or subsequently authorized or outstanding, is sometimes hereinafter called "Preference Stock".

(b) The holders of Preferred Stock shall be entitled to receive, when and as declared by the Board of Directors, dividends at the rate of 5% per annum upon the par value thereof, and no more, payable quarterly, before any sum or sums shall be paid or set aside for the purchase or redemption of Preferred Stock or the purchase of Common Stock and before any distribution, by way of cash dividends or otherwise, shall be made or provided for in respect of the Common Stock. Dividends on Preferred Stock shall be cumulative, so that if dividends upon such stock outstanding shall not have been paid at said rate in respect of all past quarterly dividend periods and payment of or provision for full dividends thereon for the current quarterly dividend period shall not have been made, dividends to the amount of the deficiency, but without interest thereon, shall be paid or declared and set apart for payment before any sum or sums shall be paid or set apart for the purchase or redemption of Preferred Stock or for the purchase of Common Stock and before any distribution in cash or property, whether by way of dividends or otherwise, shall be made or provided for in respect of Common Stock. Subject to the prior provisions of this paragraph, the Corporation may, by resolution of the Board of Directors, call for redemption and redeem on any quarterly dividend payment date all or any number of the outstanding shares of Preferred Stock at a redemption price of $20 per share plus all cumulative dividends thereon accrued on or before the redemption date and not theretofore paid. Written notice of any proposed redemption shall be mailed at least thirty days prior to the redemption date to the holders of record of the shares of Preferred Stock to be redeemed, at their respective addresses appearing upon the books of the Corporation. In the event that less than all of the shares outstanding are to be redeemed at any time, the shares to be redeemed shall be selected by lot in such reasonable manner as the Board of Directors shall direct. From and after the redemption date (unless the Corporation shall have failed to provide monies for the payment of the redemption price pursuant to such notice) no further dividends on the shares called for redemption shall accrue and the holders of such shares shall not possess or exercise any right as stockholders except the right to receive the redemption price, without interest, upon surrender to the Corporation of the certificate or certificates representing such shares. No shares of Preferred Stock redeemed in the manner provided for in this paragraph shall be re-issued but all such shares shall forthwith be cancelled and retired. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, the holders of the Preferred Stock shall be entitled to receive out of the assets of the Corporation available for distribution to its stockholders whether from capital, surplus or earnings, an amount equal to $20 for each share held by them, with all accrued dividends thereon to the date of such liquidation, dissolution or winding up and not theretofore paid, before any distribution shall be made to the holders of the Common Stock. If at any time cumulative dividends on the Preferred Stock shall have accrued and shall remain unpaid in an aggregate amount of $2.00 or more per share, then, and until all accrued and unpaid dividends thereon (up to and including the dividends payable on the next preceding quarterly dividend payment date) shall have been paid in full, the holders of record of the Preferred Stock shall possess equal voting power, share for share, for the election of directors and for all other purposes concurrently with the holders of record of the Common Stock without preference or distinction as between the classes of stock. If at any time dividends on the Preferred Stock are in arrears for any six calendar quarters, whether consecutive or not, then, and until all accrued and unpaid dividends thereon (up to and including the dividends payable on the next preceding quarterly dividend payment date) shall have been paid in full, the holders of the Preferred Stock shall have the power to vote as a class to elect two members of the Board of Directors of the Corporation. In that event, the number of directors shall be increased by the Board of Directors to create two vacancies. The election of such two directors shall be held at a meeting called for that purpose at the earliest practicable date after such voting power shall have vested in the holders of the Preferred Stock and such right thereafter

shall be exercised at the annual meeting of stockholders of the Corporation until terminated as herein provided. So long as any shares of Preferred Stock are outstanding, the Corporation shall not, without the affirmative vote of the holders of at least two-thirds in amount of the Preferred Stock at the time outstanding, amend, alter or repeal in any manner any of the express terms or preferences of the Preferred Stock as set forth in this Certificate of Incorporation, provided, however, that any other provisions of the Certificate of Incorporation may be amended, altered, or repealed in the manner now or hereafter provided by the laws of the State of Florida by a majority of the stock entitled to vote thereon. Except as herein specified, the holders of the Preferred Stock shall not be entitled to vote on any matter.

(c) The holders of $1.20 Voting Preferred Stock shall be entitled to receive, as and when declared by the Board of Directors, dividends at the rate of $1.20 per share per annum, and no more, payable quarterly, provided, however, such dividends on the $1.20 Voting Preferred Stock shall not begin to accrue until 45 days after the date of original issuance of such stock. The holders of each share of $1.20 Voting Preferred Stock shall be entitled to one vote at any meeting of the stockholders. Dividends on the $1.20 Voting Preferred Stock, as well as on the Preferred Stock, shall be cumulative, so that if full dividends upon such stocks at any time outstanding shall not have been paid in respect of all past quarterly dividend periods and payment of or provision for full dividends thereon for the current quarterly dividend period shall not have been made, then dividends to the amount of the deficiency, but without interest thereon, shall be paid or declared and set apart for payment before any sum or sums shall be paid or set apart for the purchase or redemption of $1.20 Voting Preferred Stock or the purchase of Common Stock of the Corporation and before any distribution in cash or property, whether by way of dividends or otherwise, shall be made or provided for in respect of Common Stock. Subject to the prior provisions of this paragraph, the Corporation at any time after the fifth anniversary of the date said $1.20 Voting Preferred Stock is issued may, by resolution of the Board of Directors, call for redemption and redeem on any quarterly dividend payment date all or any number of the said outstanding shares of $1.20 Voting Preferred Stock at a redemption price of $30 per share plus all cumulative dividends thereon accrued on or before the redemption date and not theretofore paid. Written notice of any proposed redemption shall be mailed at least sixty days prior to the redemption date to the holders of record of the said shares of $1.20 Voting Preferred Stock to be redeemed, at their respective addresses appearing upon the books of the Corporation. In addition, notice of the shares of the $1.20 Voting Preferred Stock to be redeemed shall be published in a newspaper of general circulation in New York, New York, not less than 60 days prior to the redemption date. In the event that less than all of the said shares outstanding are to be redeemed at any time, the shares to be redeemed shall be selected by lot in such reasonable manner as the Board of Directors shall direct. From and after the redemption date (unless the Corporation shall have failed to provide monies for the payment of the redemption price pursuant to such notice) no further dividends on the shares called for redemption shall accrue and the holders of such shares shall not possess or exercise any right as stockholders except the right to receive the redemption price, without interest, upon surrender to the Corporation of the certificate or certificates representing such shares. No shares of $1.20 Voting Preferred Stock redeemed in the manner provided for in this paragraph shall be reissued but all such shares shall forthwith be cancelled and retired. So long as any of the $1.20 Voting Preferred Stock shall be outstanding, the Corporation shall set aside, as a sinking fund for the purchase or redemption of said $1.20 Voting Preferred Stock, on or before the sixth anniversary of the date said stock is initially issued a sum equal to 21-3/7% of the number of shares of $1.20 Voting Preferred Stock which shall have been issued multiplied by $30 and on or before the same day of each of the eleven years thereafter a sum equal to 7-1/7% of the number of shares of $1.20 Voting Preferred Stock which shall have been issued multiplied by $30, provided, however, that said sinking fund payment for any year shall be deferred until the end of the seventeenth year from the date of initial issuance of the $1.20 Voting Preferred Stock in the event that the average closing market price for said stock for a sixty day period beginning seventy-five days before

and ending fifteen days before the sinking fund date for such year shall be $30 per share or greater. The sum so set aside in each year shall be applied as promptly as practicable in the judgment of the Board of Directors to the purchase of $1.20 Voting Preferred Stock, at public or private sale at a price not exceeding $30 per share, together with a sum equivalent to the accrued and unpaid dividends upon the shares so purchased, provided, that the Corporation, regardless of having paid a lesser amount for such purchases, shall be entitled to a credit against the sinking fund requirement of a sum equal to the number of such shares purchased multiplied by $30 and provided further that in the event of the purchase of any $1.20 Voting Preferred Stock at a price which shall include accrued dividends, the amount of the accrued dividends shall be provided by the Corporation out of funds other than those set aside and credited to said retirement fund account. If and to the extent that said sum can not be so applied within 60 days from the date when it shall have been so set aside, it shall thereafter be applied to the redemption of $1.20 Voting Preferred Stock in the manner hereinabove provided for the redemption of such stock. All amounts required to be set aside for the sinking fund shall set aside each year from funds of the Corporation available for such purposes remaining after full cumulative dividends, including all accrued and unpaid dividends, on all Preference Stocks shall have been declared and paid or provided for, but before any dividends shall be declared or paid upon the Common Stock, and this obligation to pay money into the sinking fund shall be cumulative so that if in any year said remaining funds shall be insufficient to permit the full amount required as aforesaid to be set aside, or if for any reason such full amount shall not be set aside, the deficiency shall be made good out of said funds becoming available in the succeeding year or years before any dividends shall be declared or paid upon or set apart for the Common Stock. The amount set aside or required to be set aside for the sinking fund shall not be used in any way which would interfere with the application thereof to the purchase or redemption of $1.20 Voting Preferred Stock as herein provided. The Corporation shall be entitled to anticipate payments into the sinking fund either by stock purchases or by payments into the fund and have credit therefor on its obligation to set aside monies as aforesaid in a subsequent year, to the amount that it has anticipated the sinking fund requirement herein set forth, provided, however, that no $1.20 Voting Preferred Stock shall be purchased or redeemed by the Corporation until it shall have been issued and outstanding at least five years. The Corporation shall be entitled to a credit against the sinking fund payments, which is to be applied against such payments in the order in which they become due, in an amount equivalent to the number of shares of $1.20 Voting Preferred Stock converted into Common Stock multiplied by $30. At any time on or prior to January 31, 1971, said stock, at the option of the respective holders thereof, shall be convertible, share for share, into fully paid and non-assessable shares of Common Stock but without any allowance or adjustment for dividends on either class of stock, upon surrender to the Corporation at one of its stock transfer offices or agencies of the certificates of $1.20 Voting Preferred Stock so to be converted, duly assigned in blank. Any $1.20 Voting Preferred Stock surrendered for conversion into Common Stock shall not be reissued and shall be cancelled and retired. In the event that during the period the shares of $1.20 Voting Preferred Stock may be converted and while some of such shares remain unconverted, the Corporation shall at any time (1) subdivide the outstanding shares of Common Stock into a greater number of shares, (2) combine the outstanding shares of Common Stock into a smaller number of shares, (3) change the outstanding shares of Common Stock into the same or a given number of shares of any other class or classes of stock, or (4) declare on or in respect of the outstanding shares of Common Stock a dividend payable in stock or other securities of the Corporation, then the holders of any then outstanding shares of $1.20 Voting Preferred Stock shall upon the subsequent conversion of such shares be entitled to receive the same number of shares of Common Stock or shares of any other class or classes of stock or other securities of the Corporation to which they would have been entitled had they been holders of the number of shares of Common Stock into which their shares of $1.20 Voting Preferred Stock were convertible on the record date for any such subdivision,

combination, change or dividend. In the event at any time while any of the shares of the $1.20 Voting Preferred Stock are outstanding and are convertible the Corporation shall be consolidated with or merged into any other corporation or corporations, or shall sell or lease all or substantially all of its property and business as an entirety, lawful provision shall be made as part of the terms of such consolidation, merger, sale, or lease that the holder of any shares of $1.20 Voting Preferred Stock may thereafter receive in lieu of such Common shares otherwise issuable to him upon conversion of his shares of $1.20 Voting Preferred Stock, but at the conversion rate which would otherwise be in effect at the time of conversion as hereinbefore provided, the same kind and amount of securities or assets as may be issuable, distributable, or payable upon such consolidation, merger, sale, or lease, with respect to shares of the Common Stock of the Corporation to which he would have been entitled had he converted his $1.20 Voting Preferred Stock prior thereto. As long as any of the $1.20 Voting Preferred Stock remains outstanding and is convertible, the Corporation shall reserve and keep available a number of its authorized but unissued shares of Common Stock sufficient for issuance upon conversion of all outstanding shares of such $1.20 Voting Preferred Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, the holders of the $1.20 Voting Preferred Stock shall be entitled to receive out of the assets of the Corporation available for distribution to its stockholders whether from capital, surplus or earnings, an amount equal to $30 for each share held by them, with all accrued dividends thereon to the date of such liquidation, dissolution or winding up and not theretofore paid, before any distribution shall be made to the holders of the Common Stock. If at any time dividends on the $1.20 Voting Preferred Stock are in arrears for any six calendar quarters, whether consecutive or not, then, and until all accrued and unpaid dividends thereon (up to and including the dividends payable on the next preceding quarterly dividend payment date) shall have been paid in full, the holders of the $1.20 Voting Preferred Stock shall have the power to vote as a class to elect two members of the Board of Directors of the Corporation. In that event, the number of directors shall be increased by the Board of Directors to create two vacancies. The election of such two directors shall be held at a meeting called for that purpose at the earliest practicable date after such voting power shall have vested in the holders of the $1.20 Voting Preferred Stock and such right thereafter shall be exercised at the annual meeting of stockholders of the Corporation until terminated as hereinabove provided. So long as any shares of $1.20 Voting Preferred Stock are outstanding, the Corporation shall not, without the affirmative vote of the holders of at least two-thirds in amount of the $1.20 Voting Preferred Stock at the time outstanding, amend, alter or repeal in any manner any of the express terms or preferences of the $1.20 Voting Preferred Stock as set forth in this Certificate of Incorporation, provided, however, that any other provisions of the Certificate of Incorporation, other than those expressly requiring a higher vote, may be amended, altered, or repealed in the manner now or hereafter provided by the laws of the State of Florida by a majority of the stock entitled to vote thereon. To the full extent that such a provision shall not amend, alter or repeal in any manner any of the express terms or preferences of the Preferred Stock, the $1.20 Voting Preferred Stock shall be of equal rank to the Preferred Stock in respect of the payment, as distinguished from the amount, of dividends and of distributions in liquidation so that if the stated dividends and amounts payable in liquidation are not paid in full, all shares of $1.20 Voting Preferred Stock and Preferred Stock shall share ratably in the payment of dividends, including accumulations, if any, in accordance with the sums which would be payable on such shares if all dividends were declared and paid in full and in any distribution of assets other than by way of dividends in accordance with the sums which would be payable on such distribution if all sums payable were discharged in full. So long as any shares of $1.20 Voting Preferred Stock are outstanding the Corporation shall not issue any Preference Stock which will rank superior to said $1.20 Voting Preferred Stock in respect of the payment, as distinguished from the amount, of dividends and of distributions in liquidation nor shall the Corporation set aside any sum for the purchase or redemption of any such additional authorized class of Preference Stock until the sinking fund payment for the $1.20 Voting Preferred Stock for any year shall have been set aside as provided herein.

(d) The Class A Preferred Stock may be issued from time to time in one or more series. The designations, preferences and other rights and limitations or restrictions of the Class A Preferred Stock, Series 1, hereinafter called "Series 1 Stock", shall be as set forth below in this paragraph (d):

(i) The holders of Series 1 Stock shall be entitled to one vote for each share of such Stock held by them on any matter voted upon at any meeting of the stockholders.

(ii) Subject to the prior rights of the holders of Preferred Stock and $1.20 Voting Preferred Stock, the holders of Series 1 Stock shall be entitled to receive, as and when declared by the Board of Directors, dividends at the rate of $2 per share per annum, and no more, accruing from the date on which the Series 1 Stock is initially issued and payable quarterly on the first days of February, May, August and November. Dividends on the Series 1 Stock, as well as on the Preferred Stock and on the $1.20 Voting Preferred Stock, shall be cumulative (whether or not in any dividend period or periods there shall be surplus of the Corporation legally available for the payment of such dividends), so that, if full divi-

dends upon such stocks at any time outstanding shall not have been paid in respect of all past quarterly dividend periods and payment of or provision for full dividends thereon for the current quarterly dividend period shall not have been made, then dividends to the amount of the deficiency, but without interest thereon, shall be paid or declared and set apart for payment before any sum or sums shall be paid or set apart for the purchase or redemption of Series 1 Stock or the purchase of Common Stock and before any distribution in cash or property, whether by way of dividends or otherwise, shall be made or provided for in respect of Common Stock; provided, however, that full dividends upon the Preferred Stock and the $1.20 Voting Preferred Stock at any time outstanding shall be paid or declared and set aside as aforesaid before any distribution in cash or property shall be made or provided for in respect of the Series 1 Stock. Anything in this Article III to the contrary notwithstanding, any amounts that may be required to be set aside for the sinking fund for the purchase or redemption of $1.20 Voting Preferred Stock may be so set aside although all accrued and unpaid divi-

dends on the Series 1 Stock shall not have been declared and paid or provided for.

(iii) No sums shall be paid or set aside for the purchase or redemption of Series 1 Stock unless all amounts required theretofore to be set aside as a sinking fund for the purchase or redemption of $1.20 Voting Preferred Stock shall have been set aside.

(iv) Subject to the prior rights of the holders of Preferred Stock and $1.20 Voting Preferred Stock, the Corporation may, by resolution of the Board of Directors, call for redemption and redeem on any quarterly dividend payment date after the fifth anniversary of the date on which Series 1 Stock is initially issued all or any number of the outstanding shares of Series 1 Stock at a redemption price of $45 per share plus all cumulative dividends thereon accrued on or before the redemption date and not theretofore paid. Written notice of any proposed redemption shall be mailed at least sixty days prior to the redemption date to the holders of record of the shares of Series 1 Stock to be redeemed, at their respective addresses appearing upon the books of the Corporation. In

addition, notice of the shares of the Series 1 Stock to be redeemed shall be published in the English language in a newspaper of general circulation in New York, New York, not less than sixty days prior to the redemption date. In the event that less than all of the shares outstanding are to be redeemed at any time, the shares to be redeemed shall be selected by lot in such reasonable manner as the Board of Directors shall direct. From and after the redemption date (unless the Corporation shall have failed to provide moneys for the payment of the redemption price pursuant to such notice) no further dividends on the shares called for redemption shall accrue and the holders of such shares shall not possess or exercise any right as stockholders except the right to receive the redemption price, without interest, upon surrender to the Corporation of the certificate or certificates representing such shares. No shares of Series 1 Stock redeemed in the manner provided for in this subparagraph (iv) shall be reissued but all such shares shall forthwith be canceled and retired.

(v) Subject to the foregoing provisions of

this Article III, so long as any of Series 1 Stock shall be outstanding, the Corporation shall set aside, as a sinking fund for the purchase or redemption of Series 1 Stock, on or before August 1, 1977, and on or before August 1 of each year thereafter a sum equal to 5% of the number of shares of Series 1 Stock which shall be outstanding on July 31, 1977, multiplied by $40. The sum so set aside in each year shall be applied as promptly as practicable in the judgment of the Board of Directors to the purchase of Series 1 Stock, at public or private sale at a price not exceeding $40 per share, together with a sum equivalent to the accrued and unpaid dividends upon the shares so purchased, provided, that the Corporation, regardless of having paid a lesser amount for such purchases, shall be entitled to a credit against the sinking fund requirement of a sum equal to the number of such shares purchased multiplied by $40; and provided further that in the event of the purchase of any Series 1 Stock at a price which shall include accrued dividends, the amount of the accrued dividends shall be provided by the Corporation out of funds other than those set aside for said sinking

fund. If and to the extent that said sum cannot be so applied within sixty days from the date when it shall have been so set aside, it shall thereafter be applied to the redemption of Series 1 Stock in the manner hereinabove provided for the redemption of such Stock, at the redemption price of $40 per share and accrued dividends to the redemption date. All amounts required to be set aside for the sinking fund shall be set aside each year from funds of the Corporation available for such purposes remaining after full cumulative dividends, including all accrued and unpaid dividends, on all Preference Stocks shall have been declared and paid or provided for, but before any dividends shall be declared or paid upon the Common Stock and before any sums shall be set apart for the purchase of Common Stock, and this obligation to pay money into the sinking fund shall be cumulative so that if in any year said remaining funds shall be insufficient to permit the full amount required as aforesaid to be set aside, or if for any reason such full amount shall not be set aside, the deficiency shall be made good out of said funds becoming available in the succeeding year or years before any

dividends shall be declared or paid upon or set apart for the Common Stock and before any sums shall be set apart for the purchase of Common Stock. The amount set aside or required to be set aside for the sinking fund shall not be used in any way which would interfere with the application thereof to the purchase or redemption of Series 1 Stock as herein provided. The Corporation shall be entitled after July 31, 1977, to anticipate payments into the sinking fund either by stock purchases or by payments into the fund and to have credit against such payments which are to be applied in the order in which such payments become due. The Corporation shall be entitled to a credit against the sinking fund payments, which is to be applied against such payments in the order in which they become due, in an amount equivalent to the number of shares of Series 1 Stock converted into Common Stock after July 31, 1977, multiplied by $40.

(vi) At any time Series 1 Stock, at the option of the respective holders thereof, shall be convertible, at the rate of one share of Com-

mon Stock for each share of Series 1 Stock (which ratio--hereinafter called the conversion rate--shall be subject to adjustment as hereinafter provided), into fully paid and nonassessable shares of Common Stock but without any allowance or adjustment for dividends on either class of Stock, upon surrender to the Corporation at one of its stock transfer offices or agencies of the certificates of Series 1 Stock so to be converted, duly assigned in blank. Any Series 1 Stock surrendered for conversion into Common Stock shall not be reissued and shall be canceled and retired. If the Corporation shall issue or sell any shares of its Common Stock (other than (w) shares of Common Stock issued as a stock dividend or stock split for which adjustment of the conversion rate is made as hereinbelow provided, or (x) shares of Common Stock issued upon conversion of $1.20 Voting Preferred Stock or Series 1 Stock or the 5% convertible notes of the Corporation outstanding at May 1, 1967, or (y) shares which may be issued upon exercise of options heretofore or hereafter granted pursuant to employee stock options plans of the Corporation or (z) not in excess of 60,000 shares of Common Stock

that may be issued in connection with an acquisition by the Corporation pending at May 1, 1967) for a consideration per share which shall be, on the date on which such consideration shall be first determined, whether tentatively or otherwise (a certificate signed by the President or a Vice President of the Corporation as to such date to be conclusive), less than the market price of Common Stock, as defined below, the conversion rate in effect immediately prior to such issuance or sale shall be forthwith increased to an amount determined by multiplying such conversion rate by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such issuance or sale and the denominator of which is the sum of (x) the number of shares of Common Stock outstanding immediately prior to such issuance or sale and (y) the number of shares of Common Stock of the Corporation which the aggregate consideration received by the Corporation upon such issuance or sale would purchase at such market price. For the purposes of the foregoing sentence, the following provisions shall be applicable:

(A) In the case of the issuance or sale of shares of Common Stock for cash, the consideration shall be deemed to be the cash proceeds received by the Corporation before deducting any discounts, commissions or other expenses incurred in connection therewith.

(B) In the case of the issuance or sale of shares of Common Stock (otherwise than upon conversion or exchange of securities by their terms convertible or exchangeable into Common Stock) for a consideration other than cash, the amount of such consideration shall be deemed to be the fair value thereof as determined by the Board of Directors of the Corporation, irrespective of any accounting treatment.

(C) If the Corporation issues options (other than options granted pursuant to employee stock option plans of the Corporation) or rights to purchase or subscribe for shares of Common Stock or issues any other securities which are by their terms convertible into or exchangeable for shares of Common Stock and if the consideration per share of Common Stock

deliverable upon the exercise of such options or rights or upon conversion or exchange of such securities, determined as provided below, is less than the market price of Common Stock as defined below:

I. The aggregate number of shares of Common Stock deliverable under such options or rights shall be deemed to have been issued at the time such options or rights become exercisable, and for a consideration equal to the minimum purchase price provided for in such options or rights plus the consideration if any (determined in the manner provided for in clauses (A) and (B) above with respect to cash consideration and consideration other than cash) received by the Corporation for such options or rights;

II. The maximum number of shares of Common Stock initially deliverable upon conversion of or in exchange for any such convertible or exchangeable securities shall be deemed to have been issued at the time such securities become convertible or

exchangeable, and for a consideration equal to the consideration received by the Corporation for such securities, before deducting any discounts, commissions or other expenses in connection with the issuance and sale of such securities, plus the additional consideration, if any, to be received by the Corporation upon the conversion or exchange thereof (the consideration in each case to be determined as provided in clauses (A) and (B) above with respect to cash consideration and consideration other than cash); and

III. On the expiration of such options or rights, or the termination of such right to convert or exchange, the conversion rate shall forthwith be readjusted to such conversion rate as would have obtained at such expiration date had the adjustment made at the time such options, rights, or convertible or exchangeable securities became exercisable, convertible or exchangeable, as the case may be, been made upon the basis of the issuance of only the number of shares of Common Stock actually issued upon the exercise of such options or rights or upon the conversion or exchange of such securities.

As used herein, the term "market price" of Common Stock at any date shall be deemed to be the lowest daily closing price in the thirty consecutive business days before the date in question, and the closing price for each day shall be the last reported sales price regular way or, in case no such reported sale takes place on such day, the average of the reported closing bid and asked prices regular way, in either case on the New York Stock Exchange or, if the Common Stock is not listed or admitted to trading on such Exchange, on the principal national securities exchange on which the Common Stock is listed or admitted to trading or, if not listed or admitted to trading on any national securities exchange, the average of the closing bid and asked prices as furnished by any New York Stock Exchange member firm selected from time to time by the Corporation for the purpose. In the event that during the period the shares of Series 1 Stock may be converted and while some of such shares remain unconverted, the Corporation shall at any time (1) subdivide the outstanding shares of Common Stock into a greater number of shares, (2) combine the outstanding shares of Common Stock into a smaller number of shares, (3) change the outstanding shares of Common Stock into

the same or a given number of shares of any other class or classes of stock, or (4) declare on or in respect of the outstanding shares of Common Stock a dividend payable in stock or other securities of the Corporation, then the holders of any then outstanding shares of Series 1 Stock shall upon the subsequent conversion of such shares be entitled to receive the same number of shares of Common Stock or shares of any other class or classes of stock or other securities of the Corporation to which they would have been entitled had they been holders of the number of shares of Common Stock into which their shares of Series 1 Stock were convertible on the record date for any such subdivision, combination, change or dividend. In the event at any time while any of the shares of the Series 1 Stock is outstanding and is convertible the Corporation shall be consolidated with or merged into any other corporation or corporations, or shall sell or lease all or substantially all of its property and business as an entirety, lawful provision shall be made as part of the terms of such consolidation, merger, sale, or lease so that the holder of any shares of Series 1 Stock shall thereafter receive, in lieu

of such Common Stock otherwise issuable to him upon conversion of his shares of Series 1 Stock, the same kind and amount of securities or assets as may be issuable, distributable, or payable upon such consolidation, merger, sale, or lease, with respect to shares of the Common Stock of the Corporation to which he would have been entitled had he converted his Series 1 Stock prior thereto but at the conversion rate which would otherwise be in effect at the time of the conversion as hereinbefore provided. As long as any of the Series 1 Stock remains outstanding and is convertible, the Corporation shall reserve and keep available a number of its authorized but unissued shares of Common Stock sufficient for issuance upon conversion of all outstanding shares of such Series 1 Stock. Fractional shares of Common Stock shall not be issued upon conversions but, in lieu thereof, the Corporation shall pay in cash an amount equal to the market price thereof.

(vii) In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, and after the stated amounts payable in such event on the Preferred Stock and

the $1.20 Voting Preferred Stock shall have been paid in full or provided for, the holders of Series 1 Stock shall be entitled to receive out of the assets of the Corporation available for distribution to its stockholders whether from capital, surplus or earnings, an amount equal to $40 for each share held by them, with all accrued dividends thereon to the date of such liquidation, dissolution or winding up and not theretofore paid, before any distribution shall be made to the holders of the Common Stock.

(viii) If at any time dividends on the Series 1 Stock are in arrears for any six calendar quarters, whether consecutive or not, then, and until all accrued and unpaid dividends thereon (up to and including the dividends payable on the next preceding quarterly dividend payment date) shall have been paid in full, the holders of the Series 1 Stock shall have the power to vote as a class to elect two members of the Board of Directors of the Corporation. In that event, the number of directors shall be increased by the Board of Directors to create two vacancies. The election of such two directors shall be held at a meeting called for

that purpose at the earliest practicable date after such voting power shall have vested in the holders of the Series 1 Stock and such right thereafter shall be exercised at each meeting of stockholders of the Corporation at which directors are elected, until terminated as hereinabove provided.

(ix) So long as any shares of Series 1 Stock are outstanding, the Corporation shall not, without the affirmative vote of the holders of at least two thirds in amount of the Series 1 Stock at the time outstanding, (x) issue, sell or otherwise dispose of any additional shares of Preferred Stock or $1.20 Voting Preferred Stock, or increase the authorized number of shares of Preferred Stock, $1.20 Voting Preferred Stock or Class A Preferred Stock or authorize or create any class or series of Preference Stock ranking, either as to payment of dividends or distribution of assets, prior to the Series 1 Stock or (y) amend, alter or repeal in any manner any of the express terms or preferences of the Series 1 Stock as set forth in this Certificate of Incorporation, provided, however, that any other provisions of the Certificate of Incorporation, other than those expressly requiring a higher vote, may be amended,

altered, or repealed in the manner now or hereafter provided by the laws of the State of Florida by a majority of the stock entitled to vote thereon.

(x) The holders of the Series 1 Stock shall be entitled to vote separately as a series in all cases, but only in the cases, (Y) where the right to do so is granted by the provisions of subparagraph (viii) or subparagraph (ix) of this paragraph (d) or (Z) where under the laws of the State of Florida such holders are entitled to vote separately as a series.

The designations, preferences and other rights and limitations or restrictions of the one or more series of Class A Preferred Stock other than Series 1 Stock shall be such as may be fixed by the Board of Directors (authority so to do being hereby expressly granted) and stated and expressed in a resolution or resolutions adopted by the Board of Directors providing for the issue of Class A Preferred Stock of such other series. Such resolution or resolutions shall (1) fix the dividend rights of holders of shares of such other series, (2) fix the terms on which stock of such other series may be redeemed if the shares of such other series are to be redeemable, (3) fix the rights of the holders of stock of such other series upon dissolution or any distribution of assets, (4) fix the terms or amounts of the sinking fund, if any, to be provided for the purchase or redemption of stock of such other series, (5)

fix the terms upon which the stock of such other series may be converted into or exchanged for stock of any other class or classes or of any one or more series of Preference Stock if the shares of such other series are to be convertible or exchangeable, (6) fix the voting rights, if any, of the shares of such other series and (7) fix in the case of such other series such other designations, preferences and other rights and limitations and restrictions thereof as may be desired.

All shares of any one series of Class A Preferred Stock shall be identical with each other in all respects except that shares of any one series issued at different times may differ as to the date from which dividends thereon shall accumulate, and all series of Class A Preferred Stock shall be identical in all respects, except (subject to the foregoing provisions of this paragraph (d) relating to the Series 1 Stock) as specified in the respective resolutions of the Board of Directors providing for the subsequent series of Class A Preferred Stock and shall rank equally.

(e) The holders of each share of Common Stock shall be entitled to one vote at any meeting of the stockholders. Subject to the approval at any time or from time to time of the holders of a majority of all of the shares

of Common Stock then outstanding and subject to the limitations set forth in (b), (c) and (d) above, the Corporation has reserved the right by amendment to its Certificate of Incorporation to authorize additional or other classes of Preference Stock which may be of equal rank in one, more or all respects with the Class A Preferred Stock and the $1.20 Voting Preferred Stock. After or concurrently with making payment of or provision for payment of full dividends for the current quarterly dividend period on all then outstanding Preference Stock, and after having paid all past quarterly dividends on all then outstanding cumulative Preference Stock, and after first fulfilling any sinking fund requirements or other obligations in respect of all then outstanding Preference Stock, dividends may be paid to the holders of the Common Stock as and when declared by the Board of Directors in its discretion out of any of the funds of the Corporation legally available for the payment of such dividends, to the exclusion of the holders of Preference Stock then outstanding. In the event of the liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary, all assets and funds of the Corporation remaining after the payment to the holders of the then outstanding Preference Stock, of the full amount to which they are entitled shall be distributed ratably to the

holders of the Common Stock according to the number of shares held by each.

404168.

OK

SPECIAL WARRANTY DEED

THIS deed made the 1st day of August, 1967, between ALLIED CHEMICAL CORPORATION, a New York corporation with a place of business at 61 Broadway, New York, N.Y. ('Grantor'), and THE CELOTEX CORPORATION, a Delaware corporation with a place of business at 1500 North Dale Mabry Highway, Tampa, Florida ('Grantee');

W I T N E S S E T H :

THAT in consideration of One-Hundred Dollars ($100.00) in hand paid, the receipt whereof is hereby acknowledged and other good and valuable consideration, the said Grantor does hereby grant and convey by Special Warranty to said Grantee, its successors and assigns the premises described in Exhibit "A" attached hereto and made a part hereof, situate in The Thirty Sixth Ward of the City of Philadelphia, and Commonwealth of Pennsylvania.

SUBJECT to covenants, easements, agreements and restrictions of record.

SUBJECT to such state of facts as an accurate survey may disclose.

SUBJECT to all rights of the United States of America and the Commonwealth of Pennsylvania in and along the Schuylkill River, and

SUBJECT to all the rights of the public between high water mark and low water mark thereof.

SUBJECT to easement of extension of Reed Street on City plan 60 feet wide reserved for construction and maintenance of sewer.

TO HAVE AND TO HOLD the same unto the said Grantee, its successors and assigns forever, together with all improvements thereon and appurtenances thereunto belonging.

AND the Grantor specially warrants that the Grantor has not done or suffered anything whereby the said lands have been encumbered in anyway whatsoever except as aforesaid.

IN WITNESS WHEREOF, the said Grantor has duly executed this deed as of the day and year first above written.

ALLIED CHEMICAL CORPORATION

By s/ F. L. Linton
Vice President

ATTEST:

s/ Robert C. Wilson Jr.
Assistant Secretary

STATE OF NEW YORK }
COUNTY OF NEW YORK } ss:

On the 1st day of August, 1967, before me personally came F. L. Lenton, to me known, who being by me duly sworn, did depose and say that he resides at 8 Barnes Lane Garden City, New York; that he is the a Vice President of Allied Chemical Corporation, the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the board of directors of said corporation, and that he signed his name thereto by like order.

Given under my hand this 1st day of August, 1967.

/s/ William B. Smith
Notary Public

WILLIAM B. SMITH
NOTARY PUBLIC, State of New York
No. 30-3746200
Qualified in Nassau County
Certificate filed in New York County
Term Expires March 30, 1969

BEGINNING at a point in the southerly line of Grays Ferry Avenue, 88 feet wide at this location, the southerly 28 feet thereof being the City Plan but not legally open on the northerly60 feet thereof being legally open, said beginning point being distant 174.532 feet measured westwardly along said southerly line of Grays Ferry Avenue, 88 feet wide, from the westerly line of Thirty-sixth Street, 50 feet wide:

EXTENDING from said beginning the following seven courses and distances, the first three thereof being the northerly line of land now or formerly of Allied Chemical & Dye Corporation:

(1) North 77° 55' 44" West 20.625 feet;

(2) North 83° 28' 44" West 322.000 feet;

(3) North 78° 03' 44" West 146.000 feet;

The following four courses and distances being by remaining land of The Philadelphia, Baltimore and Washington Railroad Company;

(4) North 13° 21' 15.5" East 48.908 feet;

(5) South 76° 38' 44.5" East 446.501 feet to said southerly line of Grays Ferry Avenue, 88 feet wide; the following two courses and distances being along the same;

(6) South 62° 47' 14.5" East 13.794 feet; and

(7) South 69° 41' 08" East 26.590 feet to the place of BEGINNING.

CONTAINING 15,221 square feet, ±.

BEING part of the premises which became vested in Grantor by deed dated December 27, 1956 from The Philadelphia, Baltimore and Washington Railroad Company. Recorded December 31, 1956 in the Office of Department of Records, City of Philadelphia, County of Philadelphia in Deed Book 466 at Page 91.

BEGINNING at a point on the Westerly line of Thirty-sixth Street (50 feet wide) at a distance of twenty-three and three hundred thirty-three one-thousandths (23.333) feet measured Southwardly along the Westerly line of Thirty-sixth Street the intersection of the said Westerly line of Thirty-sixth Street and the Southerly line of Grays Ferry Avenue (60 feet wide);

thence along the Westerly line of Thirty-sixth Street South twenty-one degrees nine minutes sixteen seconds West (S. 21° 09' 16" W.) four hundred fifty-four and two hundred forty-three one-thousandths (454.243) feet to a corner formed by the intersection of the Westerly line of Thirty-sixth Street and the Northerly line of Wharton Street (50 feet wide);

thence along the Northerly line of Wharton Street North sixty-eight degrees forty-nine minutes forty-four seconds West (N. 68° 49' 44" W.) four hundred ninety and one hundred eighty-one one-thousandths (490.181) feet to a corner formed by the intersection of the Northerly line of Wharton Street and the Westerly line of Schuylkill Avenue (70 feet wide);

thence along the Westerly line of Schuylkill Avenue South five degrees twelve minutes sixteen seconds West (S. 5° 12' 16"W.) four hundred seventy-nine and forty-six one-thousandths (479.046) feet to a point in the bed of Reed Street (60 feet wide, not open);

thence diagonally across said bed of Reed Street North eighty-four degrees forty-seven minutes forty-four seconds West (N. 84° 47' 44"W.) two hundred eighty and eleven one-hundredths (280.11) feet to a point on the Easterly Pierhead and Bulkhead Line of the Schuylkill River, as approved by the Secretary of War September 10, 1940;

thence along said Pierhead and Bulkhead Line the following three courses:

North four degrees twenty-two minutes eight and fifty-seven one hundredths seconds East (N 4° 22' 08.57"E) two hundred eighty-eight and sixteen one-thousandths feet (288.016')

thence North three degrees forty-five minutes forty-four and fifty-seven one-hundredths seconds East (N 3°45' 44.57" East) five hundred sixty-eight and forty-four one-hundredths (568.44) feet to a point;

thence North eleven degrees four minutes twenty-four and fifty-seven one-hundredths seconds East (N. 11° 04' 24.57" E.) twenty and six hundred nineteen one-thousandths (20.619) feet to a point;

thence leaving said Easterly Pierhead and Bulkhead Line South seventy-eight degrees three minutes forty-four seconds East (S. 78° 03' 44" E.) three hundred eighty-three and fifty-eight one-thousandths (383.058) feet to a point;

thence South eighty-three degrees twenty-eight minutes forty-four seconds East (S. 83° 28' 44" E.) three hundred twenty-two (322.00) feet to a point;

thence South seventy-seven degrees fifty-five minutes forty-four seconds East (S. 77° 55' 44"E.) sixty-five and two tenths (65.20) feet to a point;

thence South sixth-eight degrees fifty-five minutes forty-two seconds East (S. 68° 55' 42" E.) one hundred thirty and five tenths (130.50) feet to the point of BEGINNING. Containing ten and eight thousand seven hundred sixty-seven ten-thousandths (10.8767) acres.

BEGINNING at the intersection of the Westerly side of Schuykill Avenue (Seventy (70') feet wide) and the Southerly side of a Sixty (60') foot wide sewer easement shown on the aforesaid plan as Reed Street extended, on City Plan only for construction and maintenance of a sewer,

thence extending South Twenty-one degrees Nine minutes Sixteen seconds (21° 09' 16") West along the said Westerly side of Schuykill Avenue Six Hundred one and Seven Hundred Thirty-four One-Thousandths (601.734') feet to a point;

thence South Eighteen degrees Twenty minutes Fifty-seven seconds (18° 20' 57") West still along the said Westerly side Schuylkill Avenue One Hundred Twelve and Three Hundred Eighteen One-Thousandths (112.318') feet to a point;

thence South Seventy-four degrees Fifty-nine minutes Sixteen seconds (74° 59' 16") West Thirty and Nine Hundred Twenty-one One Thousandths (30.921') feet to a point;

thence South Seventy-five degrees Thirty-one minutes Sixteen seconds (75° 31' 16") West Fifty (50') feet to a point;

thence South Seventy-seven degrees Four minutes Sixteen seconds (77° 04' 16") West Fifty (50') feet to a point;

thence South Seventy-eight degrees Ten minutes Sixteen seconds (78° 10' 16") West Forty-two and One Hundred Twenty-nine One-Thousandths (42.129') feet to a point on the Pierhead and Bulkhead Line of Schuylkill River approved by the Secretary of War September 10, 1940;

thence along the Pierhead and Bulkhead Line of Schuylkill River the three following courses and distances:

(1) North Nineteen degrees Forty minutes Thirty-six and Fifty-seven One-Hundredths seconds (19° 40' 36.57")East, Two Hundred Eleven and Four Hundred Nine One-Thousandths (211.409') feet;

(2) North Nine degrees Thirty-six minutes Eleven and Fifty-seven One-Hundredths seconds (9° 36' 11.57") East, Three Hundred Four and Five Hundred Ten One-Thousandths (304.510') feet; and

(3) North Four degrees Twenty-two minutes Eight and Fifty-seven One-Hundredths seconds (4° 22' 08.57") East, Two Hundred Ninety and Four Hundred Ninety-four One-Thousandths (290.494') feet to a point;

thence South Eighty-four degrees Forty-seven minutes Forty-four seconds (84° 47' 44") East, Eighty-nine and One Hundred Ninety-seven One-Thousandths (89.197') feet to a point on the said Southerly side of the aforesaid sewer easement;

thence still South Eighty-four degrees Forty-seven degrees Forty-seven minutes Forty-four seconds (84° 47' 44") East crossing the bed of said sewer easement, One Hundred Ninety and Nine Hundred Forty One-Thousandths (190.940') feet (making the distance along the last mentioned course Two Hundred Eighty and One Hundred Thirty-seven One Thousandths (280.137') feet to a point on the said Westerly side of Schuylkill Avenue;

thence South Five degrees Twelve minutes Sixteen seconds (5° 12' 16") West partly recrossing the bed of said sewer easement Fifty-four and Six Hundred Thirty-one One-Thousandths (54.631') feet to a point on the said Southerly side of said sewer easement;

thence South Sixty-eight degrees Forty-nine minutes Forty-four seconds (68° 49' 44") East along the said Southerly side of said sewer easement, Two and Eight Hundred Eight -One Thousandths (2.808') feet to a point on the said Westerly side of Schuylkill Avenue, being the first mentioned point and place of beginning.

404163

ALLIED CHEMICAL CORPORATION

Allied Chemical

61 BROADWAY · NEW YORK, N. Y. 10006 · HANOVER 2-7300

February 3, 1969

Jim Walter Corporation
1500 North Dale Mabry Highway
Tampa, Florida 33607

Attention: Joseph B. Cordell, Vice President

Gentlemen:

Reference is made to the Agreement, dated May 25, 1967, between Allied Chemical Corporation (Allied Chemical) and Jim Walter Corporation (Jim Walter) (the Agreement), which provides for the sale by Allied Chemical and the purchase by Jim Walter of certain properties and assets relating to the Barrett Business (as defined in the Agreement), and to our recent discussions regarding the difficulties which have been involved in the administration of product liability, breach of warranty and other claims involving products covered by the Agreement. Pursuant to those discussions, we propose the following resolution of this matter:

1. In addition to the obligations assumed by Jim Walter under the Agreement, including, but not limited to, its obligations under Section IV (C) thereof, and notwithstanding any provisions in the Agreement to the contrary, Jim Walter assumes, releases and forever discharges Allied Chemical of and from, and agrees to exonerate, defend, indemnify and hold Allied Chemical harmless from and against and to pay any and all claims, demands, legal expenses or judgments assessed against Allied Chemical relating to, any and all product, breach of warranty or other claims, demands and liabilities, past, present and future, involving products covered by the Agreement, including, but not limited to, liabilities and claims involving Roofing Guaranty Bonds, urethane roofing insulation and other roofing materials, Baraboard siding and plastic pipe, and including all such claims, demands and liabilities heretofore, now or hereafter made or the subject of any litigation; provided, however, that the foregoing assumption and indemnification shall not obligate Jim Walter

to reimburse or compensate Allied Chemical for any payment heretofore made by Allied Chemical in settlement of such claims, and, provided further, that Allied Chemical shall pay any fees or expenses incurred for legal services rendered in behalf of Allied Chemical with respect to such claims prior to the date of this letter. Henceforth, Jim Walter shall have the sole responsibility for retention of counsel in connection with such claims, demands and liabilities.

2. In consideration of the obligations assumed by Jim Walter under paragraph 1, above, Allied Chemical shall pay to Jim Walter by check, within five business days from the receipt of Jim Walter's agreement to the terms proposed herein, the sum of ONE MILLION THREE HUNDRED THOUSAND DOLLARS ($1,300,000).

If you are in agreement with the foregoing, please so indicate by signing and returning the enclosed copy of this letter.

ALLIED CHEMICAL CORPORATION

By Frank L. Linton
Frank L. Linton
Vice President

Accepted and Agreed:

JIM WALTER CORPORATION

By _____
Vice President

Dated: February 13, 1969

404160

PRICEWATERHOUSECOOPERS

Celotex Corporation

Consolidated Financial Statements
August 31, 2001 and 2000

CELOTEX CORPORATION

Notes to Consolidated Financial Statements
August 31, 2001 and 2000

NOTE 1 - NATURE OF OPERATIONS AND OWNERSHIP:

Nature of Operations

Celotex Corporation, a Delaware corporation, and its subsidiaries (the "Company") constitute the reporting entity. In November 1999, the Company's sole shareholder, the Asbestos Settlement Trust, (the "Trust") announced its intention to market the Company to strategic and financial buyers. As described in Note 3, the Company subsequently sold its five product lines to four buyers in four separate asset sale transactions.

Effective with the sale of its fifth and last product line in August 2001, the Company's operations consist solely of the activities necessary to achieve value from its remaining non-monetary assets, most notably its portfolio of real estate, wind-up its corporate affairs and perform certain transitional administrative services for the buyer of one product line for a period of three months into fiscal year 2002. Two of the remaining real estate parcels are highly marketable commercial properties. Options that are being considered for the Company's real estate interests include out-right sale, long-term land lease or re-development with continued ownership by the Company. While the Company does not anticipate re-entering the manufacturing business, it may continue indefinitely as a real estate leasing, management or development company. Accordingly, at this time; it is not certain when or if a complete liquidation of the Company will occur. As of December 7, 2001, the Board of Directors of the Company has not considered or adopted a complete plan of liquidation.

The Company was, prior to its divestiture of all its product lines, a national manufacturer of a diverse line of building materials. Through July 2000, the Company's product lines included acoustical ceiling products, laminated asphalt roofing shingles, gypsum wallboard, rigid foam insulation, and fiberboard. The products were sold domestically and internationally in both the new and repair/remodel segments of the residential and commercial construction and consumer markets. The Company's products were sold through numerous distribution channels including building material dealers and wholesalers, contractors, home centers, and specialty distributors.

Through July 2000, the Company maintained 22 manufacturing facilities, five regional sales offices and one research and product development center in the United States. As described in Note 3, the Company divested of its acoustical ceiling, asphalt roofing shingle and gypsum wallboard product lines in late fiscal year 2000. At August 31, 2000, operations included five rigid foam insulation manufacturing facilities, two fiberboard manufacturing facilities and the research and product development center. As also described in Note 3, the Company divested of its fiberboard and rigid foam insulation product lines in the fourth quarter of fiscal year 2001.

Reorganization and Ownership

On October 12, 1990, The Celotex Corporation and its then wholly-owned subsidiary, Carey Canada Inc. (collectively, the "Pre-Reorganized Companies"), voluntarily filed petitions for reorganization under Chapter 11 of the United States Bankruptcy Code with the United States

Bankruptcy Court for the Middle District of Florida, Tampa Division (the "Bankruptcy Court"). The filing of the petitions was precipitated by the Pre-Reorganized Companies' then potentially substantial present and future asbestos-related liabilities. On May 30, 1997 (the "Effective Date"), Celotex Corporation emerged from bankruptcy proceedings pursuant to a plan of reorganization (the "Confirmed Plan") which was confirmed by the Bankruptcy Court on December 6, 1996, and affirmed by the United States District Court for the Middle District of Florida on March 4, 1997. As a result of the permanent injunctions, discharges and releases contained in the Confirmed Plan, Celotex Corporation will operate free of all present and future asbestos personal injury and property damage claims.

Pursuant to a restated certificate of incorporation implemented in connection with the Confirmed Plan, Celotex Corporation issued all of its authorized, issued and outstanding common stock to the Trust on the Effective Date (See Note 8).

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of Presentation

The Company prepares its financial statements in conformity with generally accepted accounting principles for a going concern. These financial statements include the accounts of Celotex Corporation and its subsdiaries. All intercompany accounts and transactions are eliminated.

Reclassification

Certain amounts in the prior year financial statements have been reclassified to conform to the current year presentation.

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. On an ongoing basis, management reviews its estimates. Changes in facts and circumstances can result in revised estimates, the effect of which is recorded currently. (See Notes 3, 4, 8 and 10.)

Fresh Start Reporting

The Company accounted for all transactions related to its bankruptcy proceedings, reorganization and revisions to estimated income tax receivables (see Notes 1 and 8) using the principles of fresh start reporting as required by AICPA Statement of Position 90-7 ("SOP 90-7"), "Financial Reporting by Entities in Reorganization Under the Bankruptcy Code." Accordingly, as of May 30, 1997, assets were adjusted to fair-market value and liabilities were stated at present value.

404174

CLOSING DOCUMENTS

SALE OF GRAYS FERRY, PA PREMISES
TO ISLAND REALTY CORP. ("BUYER") BY
THE CELOTEX CORPORATION

DATE: July 14, 1987
PLACE: Philadelphia, PA

BUYER'A ATTORNEY: John P. Quinn
Greenstein, Gorelick,Price,
Silverman & Laveson
900 Two Penn Center Plaza
Philadelphia, PA 19102

SELLER'S ATTORNEY: Walter Bartholomew
Montgomery, McCracken, Walker
& Rhoads
Three Parkway
Philadelphia, PA 19102

1. Agreement for Purchase of Real Estate dated April 22, 1987
2. Letter from Buyer re: 60 day option period
3. Deed from The Celotex Corporation to Island Realty Corporation
4. Seller's Corporate Resolution
5. Lawyers Title Indemnity Bonds (2)
6. Seller's Affidavit
7. Settlement Sheet & Copy of net proceeds check
8. Post-Closing Agreement

AGREEMENT FOR PURCHASE OF REAL ESTATE

AGREEMENT made this 22nd day of April, 1987, by and between THE CELOTEX CORPORATION, a Delaware corporation ("Seller"), and ISLAND REALTY CORP., a Pennsylvania corporation ("Buyer").

W I T N E S S E T H

WHEREAS, Seller is the owner in fee simple of all that certain parcel of land containing approximately 14.8 acres, more or less, and bounded by Grays Ferry Avenue, South 36the Street, Wharton Street, Schuylkill Avenue and the Schuylkill River in the City and County of Philadelphia, Pennsylvania, as more particularly described and shown in Exhibit "A" (the "Land"), and

WHEREAS, Seller desires to sell to Buyer, and Buyer desires to buy from Seller, in accordance with, and subject to, the terms and conditions set forth herein, the Land, together with all right, title and interest of Seller, if any, in and to (1) all public or private roads, alleys, driveways or streets abutting or benefiting the Land; (2) any unpaid condemnation awards resulting from any taking affecting the Land; (3) any riparian and littoral rights of or relating to the Land; (4) any fixtures, equipment or improvements on the Land; and (5) any licenses, easements, permits, approvals, franchises, agreements, and any other property, interests and rights benefiting, directly or indirectly, the Land including, without limitation, utility rights, allotments and permits (all of the appurtenances described in clauses (1) through (5) above, together with the Land, being collectively called the "Property").

NOW, THEREFORE, in consideration of the agreements and covenants herein contained, and intending to be legally bound hereby, the parties hereby covenant and agree as follows:

1. Sale and Purchase. Subject to the terms and conditions hereof, Seller agrees to sell to Buyer, and Buyer agrees to buy from Seller, the Property.

2. Purchase Price.

(a) The purchase price payable by Buyer for the Property (the "Purchase Price") shall be Five Hundred Fifty Thousand ($550,000.00) Dollars, and shall be payable as follows:

(1) Fifty Thousand ($50,000.00) Dollars (the

"Deposit") to be deposited by Buyer with Paul Silver, Real Estate or any other person acceptable to Seller, as Escrow Agent. Escrow Agent shall place the Initial Deposit in a separate interest bearing escrow account, opened in connection with and solely for the purpose of this Agreement, and shall continue to hold the Deposit as aforesaid until closing hereunder ("Closing") or the sooner termination of this Agreement.

(2) All interest earned on the Deposit shall follow Deposit. However, in the event interest passes to Seller, Buyer shall receive credit for said interest against the Purchase Price.

(b) At Closing:

(1) Escrow Agent shall release the Deposit to Seller, and

(2) Buyer shall pay to Seller the balance of the Purchase Price in cash or by certified check.

3. Closing. Closing shall take place at the office of Lawyers Title Insurance Company in Philadelphia, Pennsylvania, or at any other site mutually acceptable to Buyer and Seller, sixty-five (65) days after acceptance of Agreement by Seller. Time shall be of the essence. Seller shall have the right to a thirty (30) day extension of the Closing Date, provided the cause of such extension is the absence of the current survey and/or Title Report.

4. Buyer's Activities.

(a) The parties acknowledge that Buyer desires, and shall have the right, itself and through Buyer's agents and contractors, to perform certain activities ("Buyer's Activities") with respect to the Property including, without limitation, surveying, topographical studies, soil tests, engineering, environmental and other tests, preliminary land planning, determination of the availability of utilities, communications with the applicable governmental and quasi-governmental authorities regarding the applicable zoning and other laws and other tests and investigations. Buyer shall have the right, at any time and from time to time during the term hereof, to enter upon the Property to perform any and all of Buyer's Activities and to contact such governmental or quasi-governmental authorities and public and/or private utility companies as Buyer deems necessary in connection therewith. Seller shall cooperate with Buyer in connection with all Buyer's Activities. Actual out-of-pocket expenses and costs incurred by Buyer in connection with Buyer's

Activities shall be for the Buyer's account and not for the Seller's account. Buyer shall have xty(60)ays within which to conduct the above referred to tests and investigation and to receive a report from any agents hired to perform such duties. If Buyer is not satisfied with the results of the investigation, it shall give written notice to Seller no later than five (5) days after said xty(60) day period of its intention to void this Agreement. In the event such written notice is given, then all Deposit money shall be returned to Buyer, and this Agreement shall be considered null and void, and neither Seller nor Buyer shall have any further obligation under this Agreement. In the event that Buyer does not give notice to Seller as hereinabove stated, then this condition shall be deemed waived by Buyer. For purposes of this paragraph, the xty(60) day inspection period shall commence to run when Buyer receives notice that Seller has accepted the Agreement of Sale.

(b) Buyer will be solely and entirely responsible for any loss or damage to the Property or injury to persons caused by Buyer, or its agents, representatives or contractors, in the performance of Buyer's Activities. Buyer agrees to indemnify and hold Seller harmless from any and all claims, suits, losses, demands, damages, or expenses caused by Buyer, or its agents, for any and all injury or damage directly arising out of the performance of Buyer's Activities and any injury to the Property caused directly by Buyer's Activities. Buyer agrees to obtain, or cause its agents to obtain, adequate insurance covering the risks incident to Buyer's Activities, including Worker's Compensation, Public Liability (including contractual liability insurance specifically covering the liability assumed in this Paragraph 4(b)) covering injury or death to persons, and Property Damage Liability in such amounts and in such companies as Seller shall reasonably approve, and to file with Seller before the commencement of Buyer's Activities hereunder duly executed insurance certificates therefor, which certificates shall name Seller as an additional insured and provide that said policies shall not be cancelled or changed without prior written notice thereof to Seller.

(c) In performing Buyer's Activities, Buyer agrees to comply with all applicable Federal, State and local laws, rules, ordinances including, without limitation, the use of all required personal protective equipment and devices. Buyer further agrees to maintain and keep confidential all information of whatsoever nature obtained, received or learned from any source or in any manner in the course of performing Buyer's Activities under this Agreement; provided, that Buyer may disclose such information

to prospective purchasers or users of the Property. Buyer acknowledges that such information may constitute business information which is proprietary to Seller and agrees to indemnify Seller for any and all damages or injuries resulting from unlawful, negligent or otherwise improper disclosure by Buyer.

5. Representations and Warranties of Seller. Seller represents and warrants to Buyer (which representations and warranties shall be true as of the date of this Agreement and, as applicable, as of the Closing Date and shall survive Closing with respect to (a), (b), (c), (d), (e), and (h) hereafter for a period of one hundred twenty (120) days, and (f) hereafter for a period of one(1) years) that:

(a) The zoning classification of the Property is Least Restricted; the present use of the Property is in compliance with all zoning laws and ordinances applicable thereto; and Seller has received no outstanding notice of an uncorrected violation of any housing, building, safety or fire ordinance pertaining thereto.

(b) Seller has received no notices of future increased real estate assessments affecting the Property.

(c) There is no claim, action, suit or proceeding pending or, to the knowledge of Seller, threatened against, by or otherwise affecting the Property or any portion thereof or relating to or arising out of the ownership, management or operation of the Property in any court or before or by an federal, state, county, township or municipal department, commission, board, bureau or agency or other government instrumentality, including any proceeding instituted by Seller to enjoin any increase or to compel the reduction of the assessed valuation of any portion of the Property.

(d) There are no pending or, to the best of Seller's knowledge, threatened condemnation or eminent domain proceedings which affect or would affect the Property or any part thereof.

(e) There are no outstanding notices of any assessment for public improvements affecting the Property. Seller represents and warrants to Buyer that as of the date of this Agreement, all public improvements (including, but not limited to, cartways, water, storm and sanitary sewer, gas and electric lines and pipes) that have been installed, abutting, serving or affecting the Property are paid for and that adequate water and sewer connections for the Property have been made and paid for. In consideration of such representations, warranties and agreements of Seller, Buyer agrees to comply, at Buyer's expense,

with all notices and assessments requiring work on or with respect to or otherwise affecting the Property or abutting streets issued after the date of this Agreement, in the event settlement is made or required in accordance with this Agreement.

(f) Seller is not a "foreign person" within the meaning of Section 1445 of the United States Internal Revenue Code, as amended, or its regulations. Seller agrees to execute such affidavits at Closing in form and substance sufficient to nullify any liability of Buyer under Section 1445 of the United States Internal Revenue Code, as amended.

(g) There are no outstanding contracts or agreements between Seller and any third party to perform any type of services on or affecting said premises which would be binding on Buyer.

6. Conditions Precedent to Closing. Buyer's obligation to close hereunder shall be conditioned upon the occurrence or fulfillment of each of the following conditions on or prior to the Closing Date:

(a) All of the representations and warranties of Seller contained in this Agreement shall be true and correct at and as of the Closing Date in all respects.

(b) Seller shall have performed all covenants, agreements and conditions required by this Agreement to be performed by Seller prior to the Closing Date.

(c) Title shall be as required by Paragraph 8.

If any of the conditions set forth above in this Paragraph 6 are not satisfied, this Agreement may, at Buyer's option, be declared null and void, whereupon this Agreement shall be deemed null and void, Buyer shall be entitled to receive back the Deposit, and the parties shall have no further rights, duties or obligations to one another hereunder.

Seller's obligation to close hereunder shall be expressly conditioned upon Buyer's delivery of the balance of the Purchase Price due at Closing. Upon Buyer's failure to deliver the balance of the Purchase Price at Closing, Seller, provided it is not in default under this Agreement, shall be entitled to receive the Deposit from Escrow Agent, as liquidated damages and not as a penalty, and such receipt shall be Seller's sole remedy.

7. Survey. Promptly after the execution hereof, Seller, at its expense, shall order a reputable surveyor licensed

in Pennsylvania to prepare a Survey including topographical information (the "Survey") of the Property, which Survey shall:

(a) Be sealed and certified satisfactorily as to accuracy and completeness to Buyer, Title Company and any lender financing Buyer's acquisition of the Property;

(b) Locate all easements and restrictions and 100 year flood plains affecting the Property and of record by pertinent recording information and locate all easements, overlaps and encroachments visible by inspection; and

(c) Show all improvements located on the Land.

8. Title.

(a) At Closing, title to the Property to be delivered to Buyer hereunder shall be fee simple and shall be: good and marketable and insurable at regular rates by Lawyers Title Insurance Company ("Title Company"), and free and clear of all tenancies, liens, encumbrances and title objections other than those as set forth in Exhibit "B" which is attached hereto and made a part hereof.

Buyer's expense at

(b) Seller shall not voluntarily transfer or encumber the Property or any part thereof during the term of this Agreement.

9. Delivery of Documents. At Closing, Seller shall deliver to Buyer:

(a) A special warranty deed (the "Deed") to the Property, duly executed and acknowledged by Seller, in the proper form for recording.

(b) The originals of all Certificates of Occupancy, licenses, permits, authorizations and approvals required by law and issued by governmental authorities having jurisdiction over the Property, if any.

(c) Such title affidavits as Title Company shall require.

(d) A resolution of Seller's Board of Directors authorizing the sale of the Property and delivery of the Deed by Seller and a certificate executed by a secretary of assistant secretary of Seller, certifying as to the adoption of such resolutions.

(e) Official certificates satisfactory to Title Company stating that Seller is properly incorporated in the State of Delaware and authorized to do business in the Commonwealth of Pennsylvania.

(f) Possession of the Property in the condition required by this Agreement, free of all lease, possession or occupancy rights, together with all keys to the Property.

(g) A certificate from the Department of Licenses and Inspections of the City of Philadelphia verifying Seller's representation contained in Paragraph 5(a) dated no more than thirty (30) days prior to Closing.

10. Apportionment. If the contract is executed, the following items are to be computed and apportioned between Buyer and Seller as of the Closing Date on a per diem basis and based on a 365-day year:

(a) Water and sewer rents.

(b) Real estate taxes shall be prorated based on the current year's tax with due allowance made for maximum allowable discount or exemptions if allowed for said year. If Closing occurs on a date when the current year's millage is not fixed, and the current year's assessment is available, taxes will be prorated based upon such assessment, and the prior year's millage. If the current year's assessment is not available, then taxes will be prorated on the prior year's tax; provided, that if there are newly completed improvements comprising a part of the Property by January 1 of the year in which Closing occurs, which improvements were not in existence on January 1 of the prior year, then taxes shall be prorated based upon the prior year's millage and at an equitable assessment to be agreed upon between the parties, failing which, request will be made to the appropriate City of Philadelphia assessor for an informal assessment, taking into consideration all available exemptions, if any. However, any tax proration based on an estimate may, at the request of either party to the transaction, be subsequently readjusted upon receipt of the tax bill covering the prorated period. This Paragraph 10(b) shall survive Closing.

(c) All utility company charges, up to and including the Closing Date (including electricity, water and sewer) accrued and payable by Seller based upon the last bill therefor, and all utility deposits. If any such bill has not been received by the Closing Date, then such adjustment shall be based upon the next such bill received and such adjustment shall occur after the Closing Date. As to those deposits which are not

transferable, Seller shall retain the right to the refund of such deposits. With respect to any utility adjustment, Seller shall endeavor to obtain meter (or other measuring device) readings of the utility consumption as of the Closing Date and, wherever possible, Seller shall pay directly to the utility company the amount determined to be due as of the Closing Date. The provisions of this Paragraph 10(c) shall survive Closing.

(d) If at Closing the Property or any part thereof is affected by an assessment not of public record which is payable in installments of which the first installment is then a charge or lien, or has been paid, then all unpaid installments of such assessments, including those which are to become due and payable after Closing, shall be deemed to be due and payable and to be a lien upon the Property and shall be paid and discharged by Seller at Closing.

11. Transfer Taxes. All state and local transfer taxes arising from the sale of the Property and the recordation of the Deed shall be divided equally between Seller and Buyer and paid at Closing. Buyer shall pay the cost of recording the Deed.

12. "AS IS" Sale. Seller and Buyer hereby expressly agree that the Property is sold "AS IS" at the time of the Closing hereunder. However, except as provided in Paragraph 4, and other than ordinary wear and tear and changes caused by Buyer's Activities, the Property shall be in the same condition on the Closing Date as on the date hereof. Except as expressly set forth herein, Seller has not made and expressly disclaims any representations or warranties, express or implied as to the state of the Property, its area, condition, quality, present or intended use or operation of the Property, environmental matters, including air and water pollution control equipment and solid waste handling equipment, if any, or in any or other respect whatsoever. Buyer hereby expressly waives all rights Buyer may have to make any claim whatsoever against Seller before or after Closing with respect to any matter arising out of or in connection with any of the foregoing, other than Seller's representations and warranties expressly set forth herein. The provisions of this Paragraph 12 shall survive the Closing.

13. Damage to Property.

(a) Seller shall maintain in effect until the Closing Date all insurance policies with respect to the Property. If the buildings or improvements comprising the Property are damaged or destroyed by fire or other casualty prior to Closing, Seller will notify Buyer of the amount it will cost to repair such damage or destruction. If the cost to repair the Property is less

than or equal to $25,000.00, Buyer, at Buyer's option, may require Seller to repair the Property at Seller's expense, or purchase the Property in its AS IS condition and to deduct from the Purchase Price the said cost of repair, not to exceed $25,000.00. If the cost to repair the Property is greater than $25,000.00, Seller, at Seller's option, (i) shall proceed to promptly repair the Property at Seller's own cost and expense; or (ii) promptly notify Buyer that Seller does not intend to repair the Property, Buyer shall then have the option of either terminating this Agreement by giving notice to Seller within five (5) days after Seller's notification to Buyer, whereupon Buyer shall be entitled to the return of the Deposit, or purchasing the Property in its AS IS condition. Seller has disclosed to Buyer that a fire occurred on the premises damaging the roof of the Felt building. Buyer has inspected the damage and agrees to accept the building with the roof damaged as per its inspection with no abatement of the Purchase Price offered herein and waiving any claim it may have against Seller for the insurance proceeds received by Seller from any insurance carrier due to this fire damage.

(b) It is understood between Buyer and Seller that Seller shall have the right to remove those items of personal property, machinery and equipment from any of the buildings located on the premises, and shall also have the right to leave in said building any such personal property, machinery or equipment that it does not wish to remove. Seller, however, shall not remove any outside equipment or fixtures including, but not limited to, any scales, storage tanks or chipper, one Bauer Hydrosieve screen, two Gorman-Reipp sump pumps, all perimeter lighting and all air compressors pertinent to the fire protection system.

14. Condemnation. If Seller becomes aware that all or part of the Property is the subject of, or will be affected by, a notice or threat of taking by condemnation or eminent domain proceeding between the date of this Agreement and the Closing Date, Seller shall promptly notify Buyer and Buyer shall take title subject to such condemnation or taking and receive the proceeds thereof. Seller shall execute any and all documents to assign all of its right, title and interest of the condemnation proceeds to Buyer, and Seller shall cooperate with Buyer in any reasonable manner during the condemnation proceedings.

15. Escrow Agent.

(a) Escrow Agent shall disburse the Deposit as follows:

(1) At Closing or if Closing shall not occur

as a result of Buyer's default hereunder or Buyer's failure to satisfy any condition to be satisfied by Buyer on or prior to the Closing Date, to Seller; or

(2) If Closing shall not occur as a result of Seller's default hereunder or Seller's failure to satisfy any condition to be satisfied by Seller on or prior to the Closing Date, or if Buyer is otherwise entitled to receive the Deposit hereunder to Buyer.

Upon such disbursement, Escrow Agent shall be released and discharged from all obligations hereunder.

(b) Escrow Agent, in its sole discretion, may at any time deposit the Deposit with a court of competent jurisdiction selected by it and, in such event, Escrow Agent shall be fully released and discharged from all obligations hereunder.

(c) The duties of Escrow Agent are only as herein specifically provided and are purely ministerial in nature. Escrow Agent shall incur no liability whatever, as long as Escrow Agent acts in good faith.

16. Brokers. Seller and Buyer agree that Seller has advised Buyer that it has retained Paul Silver as its agent and broker for the sale of the Property. Seller and Buyer each agree to indemnify, save harmless and defend the other from and against all claims, losses, liabilities and expenses, including reasonable attorneys' fees and disbursements, through any and all appeals, arising out of any claim made by any other broker, finder or intermediary who claims to have been engaged by such party in connection with the transactions contemplated by this Agreement. The provisions of this Paragraph 16 shall survive Closing or the sooner termination of this Agreement, anything in this Agreement to the contrary notwithstanding.

17. Notices. All notices and other communications hereunder shall be in writing and shall be mailed first class, registered mail, return receipt requested, postage prepaid and addressed:

Seller: The Celotex Corporation
1500 North Dale Mabry Highway
Tampa, Florida 33607
Attn: K.J. Matlock, Vice President

Buyer: Island Realty Corp.
c/o Mr. Paul Lombardi
101 Atlantic Avenue
Voorhees, N. J. 08043

cc: John P. Quinn, Esquire
900 Two Penn Center Plaza
Philadelphia, Pa. 19102

Notices shall be deemed given when duly deposited in the mails.

18. Assignment. Buyer may assign its rights under this Agreement in whole or in part to any assignee. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective legal representatives, successors and assigns, as the case may be. In the event this Agreement shall be assigned by Buyer, the assignee shall assume all obligations and rights contained herein, and Seller shall deal with such assignee as if such assignee were the original purchaser under this Agreement. The Buyer will not have dislodged his obligation until Closing has occurred and Deed is transferred.

19. Bind Effect; Amendments. This Agreement may not be changed orally but only by an Agreement in writing and signed by the party against whom enforcement of any waiver, change, modification or discharge is sought. Neither this Agreement nor any assignment hereof shall be filed of record or in any office or place of public record.

20. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

21. Litigation. In connection with any litigation arising out of this Agreement, the prevailing party shall be entitled to recover all costs incurred, including reasonable attorney's fees and disbursements.

22. Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the Commonwealth of Pennsylvania.

23. Captions. The captions in this Agreement are inserted for convenience of reference only and in no way define, describe or limit the scope or intent of this Agreement or any of the provisions hereof, and shall not constitute a part of this Agreement.

24. Acceptance of Deed. The acceptance of the Deed and possession of the Property by Buyer shall be deemed to be a full performance and discharge of every obligation and agreement herein contained or expressed, except such as are, by the specific terms hereof, to be performed after the delivery of the Deed, or which

expressly survive Closing hereunder.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above written.

THE CELOTEX CORPORATION

BY: _____
President

ISLAND REALTY CORP.

BY: Michael Calandillo
President

Escrow Agent hereby executes this Agreement to evidence his agreement to act as Escrow Agent hereunder.

_____
PAUL SILVER

Dated: , 1987

EXHIBIT A

ALL THAT parcel of land Situate in the 38th Ward of the City of Philadelphia & Commonwealth of Pennsylvania CONTAINING 15,221 square feet BEGINNING at a point in the Southerly line of Grays Ferry Avenue, said beginning point being distant 174.532' measured Westwardly along said Southerly line of Grays Ferry Avenue from the Westerly line of Thirty-sixth Street, etc.

ALSO ALL THAT CERTAIN tract or piece of ground Situate in the 36th Ward of the City of Philadelphia & State of Pennsylvania BEGINNING at a point on the Westerly line of 36th Street at the distance of 23.333' measured Southwardly along the Westerly line of 36th Street the intersection of the Westerly line of 36th Street and the Southerly line of Grays Ferry Avenue, etc.

CONTAINING 10.8767 acres

ALL THAT CERTAIN lot or piece of ground Situate in the 36th Ward of the City of Philadelphia and Commonwealth of Pennsylvania BEGINNING at the intersection of the Westerly side of Schuylkill Avenue and the Southerly side of a Sixty foot wide Sewer Easement, etc., as more particularly described in the said Deed.

CONTAINING 3.5800 acres

BEING the same premises conveyed to The Celotex Corporation, by Allied Chemical Corporation, by Deed dated 8-1-1967, recorded 11-1-1967 in Deed Book C.A.D. 1116 page 304, at Philadelphia, Pennsylvania.
CONTAINING 14.8061 acres

Lawyers Title Insurance Corporation

Home Office – Richmond, Virginia

OWNER'S TITLE INSURANCE POLICY

SCHEDULE B

This Policy does not insure against loss or damage by reason of the following:

1. ~~The statutory share in lieu of dower or curtesy, of the spouse, if any, of any individual insured.~~
2. Easements or servitudes apparent from an inspection of the premises and any variation in location or dimensions, conflict with lines of adjoining property, encroachments, projections or other matters which might be disclosed by an accurate survey of the property.
3. ~~Rights or claims of parties in possession.~~
4. ~~Any reservations, restrictions, limitations, conditions or agreements set forth in the instrument by which title is vested in the insured.~~
5. Subject to all rights of the United States of America and the Commonwealth of Pennsylvania in and along the Schuylkill River and subject to all rights of the public between high water mark and low water mark thereof; provided that Company insures title to all property within title lines of bulkhead is built on Bulkhead Lines.
6. Easement of extension of Reed Street on City Plan 60 feet wide reserved for construction and maintenance of sewer.
7. Subject to rights of City of Philadelphia for drainage purposes acquired by Deed in Deed Book L.R.B. 2 page 359.
8. Easement of Water pipe over premises in question as in Deed Book W.S.V. 295 page 417 as amended by Agreement of December 11, 1929 recorded in Deed Book J.M.H. 3131 page 350.
9. Reservation and Agreements as in Deed Book C.A.B. 466 page 91.
10. Rights of the railroad Company servicing the railroad sidings located on premises in question in and to the ties, rails and other properties constituting said railroad siding or in and to the use thereof and also rights of others thereto entitled in and to the use thereof.
11. This Company assumes no liability for opening, widening, narrowing, vacating, maintaining and change of grade of any Streets, Alleys, Lanes, Avenues, Roads or Ways.
12. Company assumes no liability for the use of any private sewer or water pipe.

Countersigned by:

E. W. Hancock

Authorized Officer or Agent

268528

Lawyers Title Insurance Corporation

National Headquarters
Richmond, Virginia

COMMITMENT FOR TITLE INSURANCE
SCHEDULE A

1 Effective Date November 26, 1986 Case No LTI-87-P-10969

2 Policy or policies to be issued:

(a) Amount $ 650,000.00
☒ ALTA Owner's Policy—Form B-1970 (Rev. 10-17-70)
☐ ALTA Residential Title Insurance Policy—1979
Proposed insured: SCHUYLKILL RIVER INDUSTRIES INCORPORATED, A PENNSYLVANIA CORPORATION

(b) ALTA Loan Policy, 1970 (Rev. 10-17-70) Amount $
Proposed insured

(c) Amount $
Proposed insured:

3. Title to the Fee simple estate or interest in the land described or referred to in this Commitment is at the effective date hereof vested in:

THE CELOTEX CORPORATION, A DELAWARE CORPORATION

4. The land referred to in this Commitment is described as follows:

SEE SCHEDULE "A", PAGE TWO, ATTACHED.

Countersigned at PHILADELPHIA METROPOLITAN OFFICE
PHILADELPHIA, PENNSYLVANIA

Laura E Fox
Authorized Officer or Agent

Commitment No LTI-87-P-10969
Schedule A—Page 1

This commitment is invalid unless the Insuring Provisions and Schedules A and B are attached.

Form No. 91-88 (SCH. A)

ORIGINAL

ALL THAT CERTAIN parcel of land SITUATE in the 38th Ward of the City of Philadelphia, Commonwealth of Pennsylvania, described, as follows, to wit:

BEGINNING at a point in the Southerly side of Grays Ferry Avenue, (88 feet) wide at this location, the Southerly (28 feet) thereof being the City Plan but not legally open on the Northerly (60 feet) thereof being legally open, said beginning point being distant 174.532 feet measured Westwardly along said Southerly line of Grays Ferry Avenue, (88 feet) wide, from the Westerly line of Thirty-sixth Street, (50 feet) wide; Extending from said beginning the following seven courses and distances, the first three thereof being the Northerly line of land now or formerly of Allied Chemical & Dye Corporation (1) North 77°, 55', 44" West 20.625 feet; (2) North 83°, 28', 44" West 322.000 feet; (3) North 78°, 03', 44" West 146.000 feet; The Following four courses and distances being by remaining land of The Philadelphia, Baltimore and Washington Railroad Company; (4) North 13°, 21', 15.5" East 48.908 feet; (5) South 76°, 38', 44.5" East 446.501 feet to said Southerly line of Grays Ferry Avenue, (88 feet) wide; the following two courses and distances being along the same; (6) South 62°, 47', 14.5" East 13.794 feet; and (7) South 69°, 41', 08" East 26.590 feet to the place of beginning.

CONTAINING 15,221 square feet more or less.

ALSO ALL THAT CERTAIN tract or piece of ground SITUATE in the 36th Ward of the City of Philadelphia, Commonwealth of Pennsylvania, described as follows, to wit:

BEGINNING at a point on the Westerly line of Thirty-sixth Street (50 feet wide) at a distance of twenty-three and three hundred thirty-three one-thousandths (23.333) feet measured Southwardly along the Westerly line of Thirty-sixth Street the intersection of the said Westerly line of Thirty-sixth Street and the Southerly line of Grays Ferry Avenue (60 feet wide); Thence along the Westerly line of Thirty-sixth Street South twenty-one degrees, nine minutes, sixteen seconds West (S. 21°, 09', 16" W.) four hundred fifty-four and two hundred forty-three one-thousandths (454.243) feet to a corner formed by the intersection of the Westerly line of Thirty-sixth Street and the Northerly line of Wharton Street (50 feet wide); Thence along the Northerly line of Wharton Street North sixty-eight degrees, forty-nine minutes, forty-four seconds West (N. 68°, 49', 44" W.) four hundred ninety and one hundred eighty-one one-thousandths (490.181) feet to a corner formed by the intersection of the Northerly line of Wharton Street and the Westerly line of Schuylkill Avenue (70' feet wide); Thence along the Westerly line of Schuylkill Avenue South five degrees, twelve minutes, sixteen seconds West (S. 5°, 12', 16" W.) four hundred seventy-nine and forty-six one-thousandths (479.046) feet to a point in the bed of Reed Street (60 feet wide, not open); Thence diagonally across said bed of Reed Street North eighty-four degrees, forty-seven minutes, forty-four seconds West (N. 84°, 47', 44" W.) two hundred eighty and eleven one-hundredths (280.11) feet to a point on the Easterly Pierhead and Bulkhead Line of the Schuylkill River, as approved by the Secretary of War on 9-10-1940; Thence along said Pierhead and Bulkhead Line the following three courses: North four degrees, twenty-two minutes, eight and fifty-seven one hundredths seconds East (N. 4°, 22', 08.57" E.) two hundred eighty-eight and sixteen one-thousandths feet (288.016'); Thence North three degrees, forty-five minutes, forty-four and fifty-seven one-hundredths seconds East (N. 3°, 45', 44.57" E.) five hundred sixty-eight and forty-four one-hundredths (568.44) feet to a point; Thence North eleven degrees, four minutes, twenty-four and fifty-seven one-hundredths seconds East (N. 11°, 04', 24.57" E.) twenty and six hundred nineteen one-thousandths (20.619) feet to a point; Thence leaving said Easterly Pierhead and Bulkhead Line South seventy-eight degrees, three minutes, forty-four seconds East (S. 78°, 03', 44" E.) three hundred eighty-three and fifty-eight one-thousandths (383.058) feet to a point; Thence South eighty-three degrees, twenty-eight

minutes, forty-four seconds East (S. 83°, 28', 44" E.) three hundred twenty-two (322.00) feet to a point; Thence South seventy-seven degrees, fifty-five minutes, forty-four seconds East (S. 77°, 55', 44" E.) sixty-five and two tenths (65.20) feet to a point; Thence South sixty-eight degrees, fifty-five minutes, forty-two seconds East (S. 68°, 55', 42" E.) one hundred thirty and five tenths (130.50) feet to the point of beginning.

CONTAINING ten and eight thousand seven hundred sixty-seven ten-thousandths (10.8767) acres.

ALSO ALL THAT CERTAIN lot or piece of ground SITUATE In the 36th Ward of the City of Philadelphia, Commonwealth of Pennsylvania, described as follows, to wit:

BEGINNING at the intersection of the Westerly side of Schuylkill Avenue seventy feet (70') wide and the Southerly side of a sixty (60') foot wide sewer easement shown on the aforesaid Plan as Reed Street, extended, on City Plan only for construction and maintenance of a sewer; Thence extending South twenty-one degrees, nine minutes, sixteen seconds (21°, 09', 16") West along the said Westerly side of Schuylkill Avenue six hundred one and seven hundred thirty-four one-thousandths (601.734') feet to a point; Thence South Eighteen degrees, Twenty minutes, fifty-seven seconds (18°, 20, 57") West still along the said Westerly side of Schuylkill Avenue One hundred twelve and three hundred eighteen one-thousandths (112.318') feet to a point; Thence South seventy-four degrees, fifty-nine minutes, sixteen seconds (74°, 59', 16") West thirty and nine hundred twenty-one one thousandths (30.921') feet to a point; Thence South seventy-seven degrees, four minutes, sixteen seconds (77°, 04', 16") West fifty (50') feet to a point; Thence South seventy-eight degrees, ten minutes, sixteen seconds (78°, 10', 16") West forty-two and one hundred twenty-nine one-thousandths (42.129') feet to a point on the Pierhead and Bulkhead Line of Schuylkill River approved by the Secretary of War on 9-10-1940; Thence along the Pierhead and Bulkhead Line of Schuylkill River the three following courses and distances: (1) North Nineteen degrees, forty minutes, thirty-six and fifty-seven one-hundredths seconds (19°, 40', 36.57") East, two hundred eleven and four hundred nine one-thousandths (211.409') feet; (2) North nine degrees, thirty-six minutes, eleven and fifty-seven one-hundredths seconds (9°, 36', 11.57") East, three hundred four and five hundred ten one-thousandths (304.510') feet; and (3) North four degrees, twenty-two minutes, eight and fifty-seven one-hundredths seconds (4°, 22', 08.57") East, two hundred ninety and four hundred ninety-four one-thousandths (290.494') feet to a point; Thence South eighty-four degrees, forty-seven minutes, forty-four seconds (84°, 47', 44") East, eighty-nine and one hundred ninety-seven one-thousandths (89.197') feet to a point on the said Southerly side of the aforesaid sewer easement; Thence still South eighty-four degrees, forty-seven minutes, forty-four seconds (84°, 47', 44") East crossing the bed of said sewer easement, one hundred ninety and nine hundred forty one-thousandths (190.940') feet (making the distance along the last mentioned course) two hundred eighty and one hundred thirty-seven one thousandths (280.137') feet to a point on the said Westerly side of Schuylkill Avenue; Thence South five degrees, twelve minutes, sixteen seconds (5°, 12', 16") West partly recrossing the bed of said sewer easement fifty-four and six hundred thirty-one one-thousandths (54.631') feet to a point on the said Southerly side of said sewer easement; Thence South sixty-eight degrees, forty-nine minutes, forty-four seconds (68°, 49', 44") East along the said Southerly side of said sewer easement, two and eight hundred eighty one-thousandths (2.808') feet to a point on the said Westerly side of Schuylkill Avenue, being the first mentioned point and place of beginning.

BEING the same premises which Allied Chemical Corporation, a New York Corporation, by Deed dated 8-1-1967 and recorded in the Office for the Recording of Deeds in and for the City of Philadelphia, Commonwealth of Pennsylvania in Deed Book CAD 1116 page 307, granted and conveyed unto The Celotex Corporation, a Delaware Corporation, its successors and assigns, in fee.

Lawyers Title Insurance Corporation

National Headquarters
Richmond, Virginia

SCHEDULE B—Section 1

Requirements

The following are the requirements to be complied with

Item (a) Payment to or for the account of the grantors or mortgagors of the full consideration for the estate or interest to be insured.

Item (b) Proper instrument(s) creating the estate or interest to be insured must be executed and duly filed for record, to-wit:

DEED FROM: The Celotex Corporation, a Delaware Corporation
TO: Schuylkill River Industries Incorporated, a Pennsylvania Corporation

DATED:

Item (c) Produce tax receipts for the following:

DEPARTMENT TO REPORT

Item (d) Produce water and sewer receipts for the following:

DEPARTMENT TO REPORT

Item (e) Possible water and sewer rents from _____, the date of the last reading; billings since that time have been issued on an estiamted usage.

Item (f) Sufficient evidence to be produced to remove the following:

MORTGAGE(S): None

MECHANICS AND MUNICIPAL CLAIM(S): None

JUDGMENT(S):

John Byrnes, Olga Byrnes and John Byrnes -v- Celotex (no address)
C.P. May Term, 1979, #5652, filed 9-23-1983, $50,000.00 and $1,000.00

Daniel Rubenstein -v- Celotex (no address)
C.P. October Term, 1979, #02477, filed 3-6-1984, $75,000.00

Elizabeth Taylor -v- Celotex (no address)
C.P. July Term, 1979, #390, filed 5-10-1984, $5,000.00

Paul S. Taylor -v- Celotex (no address)
C.P. July Term, 1979, #390, filed 5-10-1984, $65,000.00

Owens-Corning Fiberglas Corp. -v- Celotex Corp. (c/o C.T. Corp. System)
C.P. June Term, 1980, #2676, filed 9-22-1982, no amount

CONTINUED.....

Item (f)
JUDGMENT(S)
CONTINUED:

Owens Corning Fiberglas Corp. -v- Celotex Corp. (no address)
C.P. May Term, 1980, #4118, filed 9-28-1982, no amount

D.A.R. Industrial Products -v- Celotex Corp. (c/o CT Corp. Systems)
C.P. September Term, 1980, #2805, filed 10-4-1982, no amount

Georgia-Pacific Corporation -v- Celotex Corp. (123 S. Broad St.)
C.P. July Term, 1980, #2142, filed 10-11-1982, no amount

Pittsburgh Corning Corp. -v- Celotex Corp. (no address)
C.P. May Term, 1980, #4118, filed 4-8-1983, no amount

Frances Hodge -v- Celotex Corp. (no address)
C.P. January Term, 1979, #4052, filed 4-25-1983, $5,000.00

George Hodge -v- Celotex Corp. (no address)
C.P. January Term, 1979, #4052, filed 4-25-1983, $120,000.00

Esther Meyers -v- Celotex Corp. (no address)
C.P. September Term, 1978, #880, filed 5-24-1983, $130,000.00

Juanita Lozada -v- Celotex Corp. (no address)
C.P. January Term, 1979, #4052, filed 6-20-1983, $5,000.00

Emilio Lozada -v- Celotex Corp. (no address)
C.P. January Term, 1979, #4052, filed 6-20-1983, $125,000.00

Lake Asbestos of Quebec, Ltd. -v- Celotex Corp. (c/o C.T. Corp. System)
C.P. February Term, 1983, #5685, filed 7-18-1983, no amount

Sun Ship, Inc. -v- Celotex Corp. (c/o C.T. Corp. Systems)
C.P. February Term, 1980, #4787, filed 8-9-1983, no amount

Benjamin Harvey -v- Celotex Corp. (no address)
C.P. May Term, 1979, #5642, filed 9-26-1983, $125,000.00

Christine Shondel -v- Celotex Corp. (1500 N. Cale Mabry Highway, Tampa, Florida, 33607)
C.P. April Term, 1984, #3233, filed 4-17-1984, no amount

Thomas Garragher -v- Celotex Corp. (no address)
C.P. June Term, 1979, #1526, filed 7-20-1984, $25,000.00

Delaware Asbestos & Rubber -v- Celotex Corporation (c/o Jim Walters Company, Tampa, Florida, 33607)
C.P. March Term, 1983, #664, filed 6-23-1983, no amount

CONTINUED.....

Item (f)
JUDGMENT(S)
CONTINUED:

Lake Asbestos of Quebec, Ltd. -v- Celotex Corporation (c/o C.T. Corp. System)
C.P. March Term, 1983, #334, filed 7-18-1983, no amount

Pars Manufacturing Co. -v- Celotex Corporation (c/o Jim Walters Company, Tampa, Florida, 33607)
C.P. March Term, 1983, #664, filed 10-17-1983, no amount

Anthony J. Kensler -v- Celotex Corporation (c/o Jim Walters Company, Tampa, Florida, 33607)
C.P. December Term, 1985, #3768, filed 12-23-1983, $325,000.00

Thelma McCall -v- Celotex Corporation (c/o Jim Walters Company, Tampa, Florida, 33607)
C.P. April Term, 1986, #4373, filed 1-9-1987, $425,000.00

John S. Manley -v- Celotex Corporation (c/o Jim Walters Company, Tampa, Florida, 33607)
C.P. September Term, 1985, #5119, filed 1-16-1987, $350,000.00

Item (g) Certified copy of Articles and Certificate of Incorporation of The Celotex Corporation to be filed with this Company.

Item (h) Certified copy of the Resolutions of the Board of Directors of The Celotex Corporation that the premises shall be conveyed to Schuylkill River Industries Incorporaiton for $650,000.00, directing proper corporate officers to execute and deliver the Deed, which certification shall state that the Resolution was passed at a duly called and conducted meeting of which all Directors were given proper notice, to be filed with this Company.

Item (i) If the premises to be conveyed constitute 51% or more of the real estate or assets of The Celotex Corporation, a Clearance Certificate of the *Pennsylvania Department of Revenue pursuant to the Act of May 29, 1951*, 72 P.S. 1403 is to be filed with this Company.

Item (j) Proof to be filed with this Company that the conveyance of the premises does not constitute a sale of all or substantially all of the property and assets of The Celotex Corporation and therefore that no shareholder approval of the conveyance is required by Section 311 of the Pennsylvania Business Corporation Law, 15 P.S. 1311.

Item (k) Corporate Taxes due the Commonwealth of Pennsylvania by The Celotex Corporation, a Delaware Corporation and Schuylkill River Industries Incorporation, a Pennsylvania Corporation. (SEARCHES ORDERED)

Item (l) Subsistance Certificate from the State of Delaware of the Incorporation of The Celotex Corporation.

CONTINUED.....

CONTINUED:

Item (m) Currently certified copy of Certificate of Authority of The Celotex Corporation to do business in Pennsylvania see 15 P.S. 2001 to be filed with this Company. See 15 P.S. 8121.

Item (n) Currently certified copy of Articles and Certificate of Incorporation of Schuylkill River Industries Incorporated to be produced and filed with this company.

Item (o) Certified copy of the Resolutions of the Board of Directors of Schuylkill River Industries Incorporated that the premises shall be purchased from The Celotex Corporation for $650,000.00, directing proper corporate officers to accept delivery of the Deed, which certification shall state that the Resolution was passed at a duly called and conducted meeting of which all Directors were given proper notice, to be filed with this Company.

Lawyers Title Insurance Corporation

NATIONAL HEADQUARTERS

RICHMOND, VIRGINIA

SCHEDULE B—Section 2

Exceptions

The policy or policies to be issued will contain exceptions to the following unless the same are disposed of to the satisfaction of the Company:

1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.
2. Terms and conditions of any unrecorded lease or rights of parties in possession.
3. Easements or servitudes apparent from an inspection of the premises and any variation in location or dimensions, conflict with lines of adjoining property, encroachments, projections or other matters which might be disclosed by an accurate survey of the premises.
4. Any lien or right to a lien for services, labor or material, heretofore or hereafter furnished, imposed by law and not shown by the public records.
5. Possible additional assessments for taxes for new construction or for any major improvements pursuant to provisions of Acts of Assembly relating thereto.
6. Possible rights of the United States of America, the Commonwealth of Pennsylvania and public and other riparian owners between high and low water marks of Schuylkill River.
7. Deed of Easement as recorded in Deed Book DCC 989 page 262. (ATTACHED)
8. Easement of extension of Reed Street on City Plan 60 feet wide reserve for construction and maintenanc of sewer.
9. Subject to rights of City of Philadelphia for drainage purposes acquired by Deed as recorded in Deed Book LRB 2 page 359. (ATTACHED)
10. Easement of water pipe over premises in question as in Deed Book WSV 295 page 417 as amended by Agreement of 12-11-1929 and recorded in Deed Book JMH 3131 page 350. (ATTACHED)
11. Reservation and Agreements as in Deed Book CAB 466 page 91. (ATTACHED)
12. Rights of the railroad company servicing the railroad sidings located on premises in question in and to the ties, rails and other properties constituting said railroad siding or in and to the use thereof and also rights of others thereto entitled in and to the use thereof.
13. This company assumes no liability for opening, widening, narrowing, vacating, maintaining and change of grade of any streets, alleys, lanes, avenues, roads and ways.
14. Company assumes no liability for the use of any private sewer or water pipe.
15. Subject to the laws and authority of the Federal and State Governments, their political subdivisions and agencies, to regulate commerce and navigation over part of the premises extending beyond the high water mark of the Schuylkill River and to exert governmental title and ownership in the area lying beyond the original low water mark.

NOTE: If policy is to be issued in support of a mortgage loan, attention is directed to the fact that the Company can assume no liability under its policy, the closing instructions, or Insured Closing Service for compliance with the requirements of any consumer credit protection or truth in lending law in connection with said mortgage loan.

DEED OF [illegible]

Allied Chemical Corp.

THIS INDENTURE, made NOVEMBER 6TH 1975

Allied Chemical Corporation

[illegible] right of property affected by the construction or improvement of the above mentioned Legislative Route, [illegible] State, executors, administrators, successors, and/or assigns, hereinafter, whether [illegible] the singular or plural, called the GRANTOR, and the Commonwealth of Pennsylvania, Department of Transportation, hereinafter called the COMMONWEALTH,

WITNESSETH:

WHEREAS the COMMONWEALTH will file a plan in the [illegible] Office of the aforesaid County indicating its authorization to condemn title or easement for [illegible] highway from the aforesaid property; and

WHEREAS the parties hereto have agreed that, in lieu of condemnation, the GRANTOR will convey to the COMMONWEALTH an easement for highway purposes unlimited in vertical dimension from the property for purposes [illegible] required by the COMMONWEALTH,

NOW, THEREFORE, in consideration of the sum of One ($1.00) Dollar and other good and valuable [illegible] the GRANTOR does hereby grant and convey to the COMMONWEALTH as easement for highway purposes [illegible] vertical dimension, those

[illegible] the premises described in Exhibit "A"

[illegible] that portion of the aforesaid premises designated as required right of way on the plan [illegible] hereto and made a part hereof, being a portion of the same premises conveyed to the GRANTOR by Deed [illegible] of Allied Chemical Corp.

[illegible] recorded in Deed Book OAD 1116 page [illegible]

Together with the improvements, hereditaments and appurtenances thereto.

Provided, however, that the GRANTOR shall retain the right to deep mine minerals, including removal of [illegible] gas and oil by means of wells located off the right of way, from a minimum depth to be determined by the COMMONWEALTH.

The GRANTOR does further remise, release, quitclaim and forever discharge the COMMONWEALTH or [illegible] any of its political subdivision thereof or its or their employees or representatives of and from all suits, damages, [illegible] and demands which the GRANTOR might otherwise have been entitled to assert under the provisions of [illegible] Eminent Domain Law Act of June 1, 1945, P.L. 1242, as amended (26 P.S. 670-101 et seq.) or the Eminent Domain Code Act of June 22, 1964, P.L. 84, as amended (26 P.S. 1-101 et seq.), for or on account of any injury to or destruction of the aforesaid property of the GRANTOR through or by reason of the aforesaid highway construction or improvement, except damages, if any, under Section 610 (Limited Reimbursement of Appraisal, Attorney and Engineering Fees) and Section 610.1 (Payment on Account of Increased Mortgage Costs) of the Eminent Domain Code; provided, however, that, if relocation of a residence or business or farm operation is involved, this release shall not apply to damages, if any, under Section 601-A(a) (Moving Expenses) and/or Section 601-A (Replacement Housing) of the Eminent Domain Code.

The GRANTOR does further indemnify the COMMONWEALTH against any claim made by any lessee of the [illegible] property who has not entered into a Settlement Agreement with the COMMONWEALTH.

Lawyers Title Insurance Corporation

NATIONAL HEADQUARTERS
RICHMOND, VIRGINIA

COMMITMENT FOR TITLE INSURANCE

LAWYERS TITLE INSURANCE CORPORATION, a Virginia corporation, herein called the Company, for valuable consideration, hereby commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest covered hereby in the land described or referred to in Schedule A, upon payment of the premiums and charges therefor; all subject to the provisions of Schedules A and B and to the Conditions and Stipulations hereof.

This Commitment shall be effective only when the identity of the proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A hereof by the Company, either at the time of the issuance of this Commitment or by subsequent endorsement.

This Commitment is preliminary to the issuance of such policy or policies of title insurance and all liability and obligations hereunder shall cease and terminate six (6) months after the effective date hereof or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue such policy or policies is not the fault of the Company. This Commitment shall not be valid or binding until countersigned by an authorized officer or agent.

IN WITNESS WHEREOF, the Company has caused this Commitment to be signed and sealed, to become valid when countersigned by an authorized officer or agent of the Company, all in accordance with its By-Laws. This Commitment is effective as of the date shown in Schedule A as "Effective Date."

CONDITIONS AND STIPULATIONS

1. The term "mortgage," when used herein, shall include deed of trust, trust deed, or other security instrument.

2. If the proposed Insured has or acquires actual knowledge of any defect, lien, encumbrance, adverse claim or other matter affecting the estate or interest or mortgage thereon covered by this Commitment other than those shown in Schedule B hereof, and shall fail to disclose such knowledge to the Company in writing, the Company shall be relieved from liability for any loss or damage resulting from any act of reliance hereon to the extent the Company is prejudiced by failure to so disclose such knowledge. If the proposed Insured shall disclose such knowledge to the Company, or if the Company otherwise acquires actual knowledge of any such defect, lien, encumbrance, adverse claim or other matter, the Company at its option may amend Schedule B of this Commitment accordingly, but such amendment shall not relieve the Company from liability previously incurred pursuant to paragraph 3 of these Conditions and Stipulations.

3. Liability of the Company under this Commitment shall be only to the named proposed Insured and such parties included under the definition of Insured in the form of policy or policies committed for and only for actual loss incurred in reliance hereon in undertaking in good faith (a) to comply with the requirements hereof, or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate or interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in Schedule A for the policy or policies committed for and such liability is subject to the insuring provisions and the Conditions and Stipulations and the Exclusions from Coverage of the form of policy or policies committed for in favor of the proposed Insured which are hereby incorporated by reference and are made a part of this Commitment except as expressly modified herein.

4. Any action or actions or rights of action that the proposed Insured may have or may bring against the Company arising out of the status of the title to the estate or interest or the status of the mortgage thereon covered by this Commitment must be based on and are subject to the provisions of this Commitment.

Lawyers Title Insurance Corporation

Robert C. Dawson

President

Attest:

Secretary.

IN WITNESS WHEREOF, the GRANTOR has executed or caused to be executed these presents, intending to be legally bound thereby.

Witness _____ _____ (SEAL)

Witness _____ _____ (SEAL)

Witness _____ _____ (SEAL)

Witness _____ _____ (SEAL)

I attest to the signature of the officer who has executed this deed and certify that execution hereof has been duly authorized, by the

Board of Directors of The Celotex Corporation

CORPORATION, ASSOCIATION, ETC. EXECUTIVE

Secretary

By M M Hamrick Vice President

(SEAL)

COMMONWEALTH OF PENNSYLVANIA:

: ss:

COUNTY OF Philadelphia :

On _____, before me, the undersigned officer, personally appeared

known to me (or satisfactorily proven) to be the person(s) whose name(s) subscribed to the within instrument, and acknowledged that executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

(SEAL)

Notary Public
My Commission Expires:

COMMONWEALTH OF PENNSYLVANIA:

: ss:

COUNTY OF Philadelphia :

On November 10, 1977, before me, the undersigned officer, personally appeared M. M. HAORICK, who acknowledged himself to be the Vice President of The Celotex Corporation, a corporation, and that he as such officer, being authorized to do so, executed the foregoing instrument on behalf of the said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

(SEAL) Notary Public
My Commission Expires: 2-8-77

COMMONWEALTH OF PENNSYLVANIA:

: ss:

COUNTY OF

Recorded in the Office for Recording of Deeds in and for aforesaid County in Deedbook Page

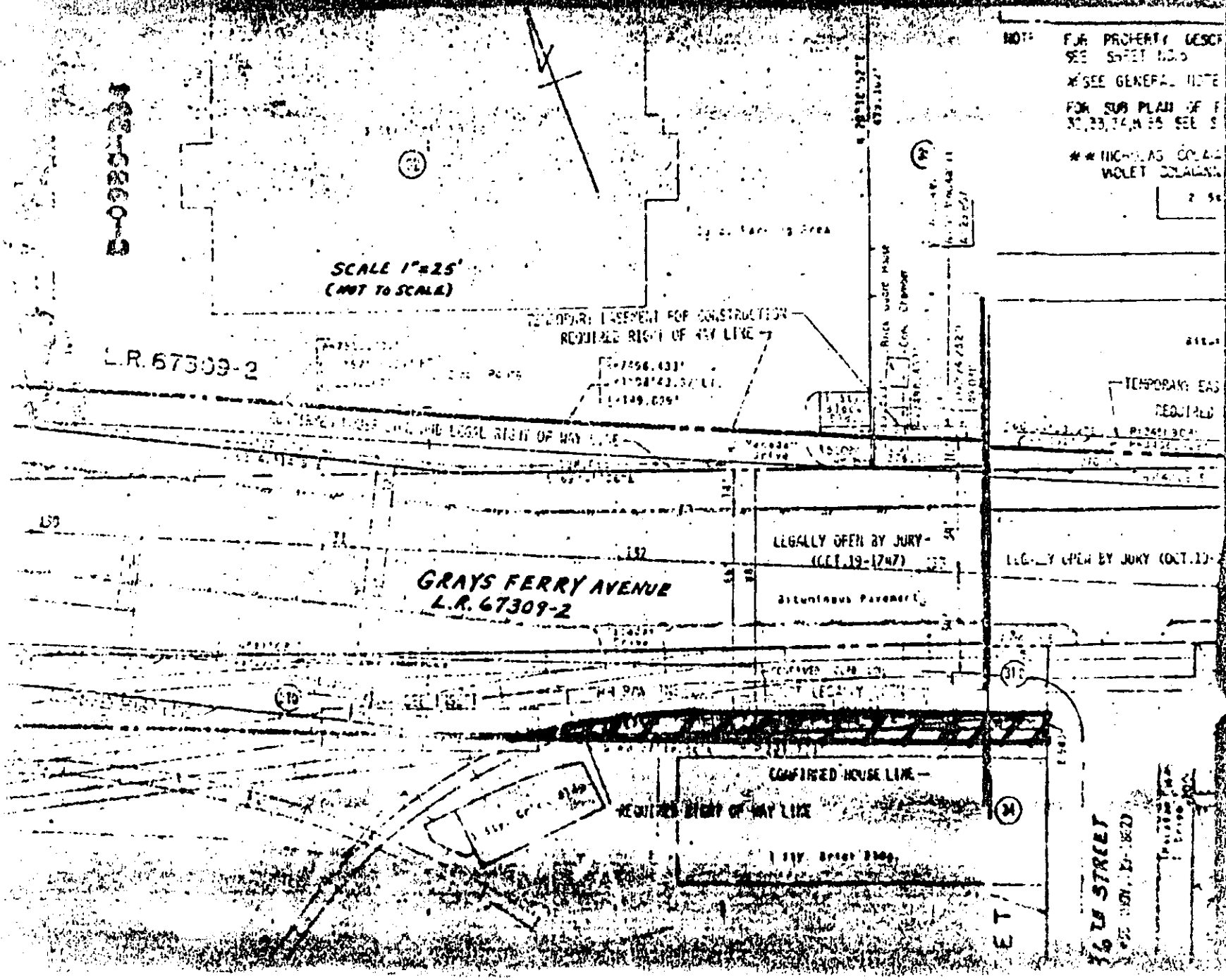
Witness my hand and seal of Office on

Recorder of Deeds

I certify that, upon recording, the within instrument should be mailed to:

Right-of-Way Administrator
Pennsylvania Department of Transportation

Agent for Commonwealth of Pennsylvania
Department of Transportation


SCALE 1"=25'
(NOT TO SCALE)
L.R.67309-2
GRAYS FERRY AVENUE
L.R.67309-2
LEGALLY OPEN BY JURY-
(OCT.19-1747)
CONFIRMED HOUSE LINE
REQUIRED RIGHT OF WAY LINE
16TH STREET

FORM OF CERTIFICATE TO BE USED
AS PRESCRIBED BY CITY OF PHILADELPHIA
REAL ESTATE TRANSFER TAX ORDINANCE

James J. Easlett Agent for Penna. Dept. of Transportation certifies that he is connected with (Agent)

the transaction entered into between The Celotex Corporation (Grantor) and Pennsylvania Department of Transportation (Grantee)

Tampa, Florida (Address of grantor) and Pennsylvania Department of Transportation (Grantee)

200 Radnor Chester Rd. St. Davids, Pa. 19087 (Address of grantee) with regard to which this certificate is given in the capacity of Agent

and that the true, full and complete consideration of such transaction, including liens and other encumbrances, is FORTY THOUSAND Dollars.

($ 40,000.00). EXEMPT

The highest assessed value of said real estate for local tax purposes is _____ Dollars ($ _____).

The fair value of the property is FORTY THOUSAND Dollars ($ 40,000.00).

If the above transaction is not taxable in whole or in part, give detailed explanation in this space.

Although as P.U.C. Order #95575 rec'd 11/29/70 condemning the subject property erroneously designated the former owner, Allied Chemical Corp. as owner. Whereas the real owner was The Celotex Corporation. This present deed of Release is being made to correct previous mistake and to avoid the necessity of re-condemning premises.

I hereby certify that the statements contained herein are true and correct to the best of my knowledge and belief. I understand that if I knowingly make any false statement herein I am subject to such penalties as may be prescribed by law or ordinance.

David J. Easlett
Agent for Penna. Dept. of Transportation

63-1D

Lawyers Title Insurance Corporation

NATIONAL HEADQUARTERS
RICHMOND, VIRGINIA

COMMITMENT FOR TITLE INSURANCE

LAWYERS TITLE INSURANCE CORPORATION, a Virginia corporation, herein called the Company, for valuable consideration, hereby commits to issue its policy or policies of title insurance, as identified in Schedule A, in favor of the proposed Insured named in Schedule A, as owner or mortgagee of the estate or interest covered hereby in the land described or referred to in Schedule A, upon payment of the premiums and charges therefor; all subject to the provisions of Schedules A and B and to the Conditions and Stipulations hereof.

This Commitment shall be effective only when the identity of the proposed Insured and the amount of the policy or policies committed for have been inserted in Schedule A hereof by the Company, either at the time of the issuance of this Commitment or by subsequent endorsement.

This Commitment is preliminary to the issuance of such policy or policies of title insurance and all liability and obligations hereunder shall cease and terminate six (6) months after the effective date hereof or when the policy or policies committed for shall issue, whichever first occurs, provided that the failure to issue such policy or policies is not the fault of the Company. This Commitment shall not be valid or binding until countersigned by an authorized officer or agent.

IN WITNESS WHEREOF, the Company has caused this Commitment to be signed and sealed, to become valid when countersigned by an authorized officer or agent of the Company, all in accordance with its By-Laws. This Commitment is effective as of the date shown in Schedule A as "Effective Date."

CONDITIONS AND STIPULATIONS

1. The term "mortgage," when used herein, shall include deed of trust, trust deed, or other security instrument.

2. If the proposed Insured has or acquires actual knowledge of any defect, lien, encumbrance, adverse claim or other matter affecting the estate or interest or mortgage thereon covered by this Commitment other than those shown in Schedule B hereof, and shall fail to disclose such knowledge to the Company in writing, the Company shall be relieved from liability for any loss or damage resulting from any act of reliance hereon to the extent the Company is prejudiced by failure to so disclose such knowledge. If the proposed Insured shall disclose such knowledge to the Company, or if the Company otherwise acquires actual knowledge of any such defect, lien, encumbrance, adverse claim or other matter, the Company at its option may amend Schedule B of this Commitment accordingly, but such amendment shall not relieve the Company from liability previously incurred pursuant to paragraph 3 of these Conditions and Stipulations.

3. Liability of the Company under this Commitment shall be only to the named proposed Insured and such parties included under the definition of Insured in the form of policy or policies committed for and only for actual loss incurred in reliance hereon in undertaking in good faith (a) to comply with the requirements hereof, or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate or interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in Schedule A for the policy or policies committed for and such liability is subject to the insuring provisions and the Conditions and Stipulations and the Exclusions from Coverage of the form of policy or policies committed for in favor of the proposed Insured which are hereby incorporated by reference and are made a part of this Commitment except as expressly modified herein.

4. Any action or actions or rights of action that the proposed Insured may have or may bring against the Company arising out of the status of the title to the estate or interest or the status of the mortgage thereon covered by this Commitment must be based on and are subject to the provisions of this Commitment.

Lawyers Title Insurance Corporation

Robert C. Dawson

President

Attest:

Secretary.

GREENSTEIN, GORELICK, FRICE, SILVERMAN & LAVESON
900 TWO PENN CENTER PLAZA
PHILADELPHIA, PA. 19102
215-564-3880

DANIEL S. GREENSTEIN
NATHANIEL BUDIN
JOHN P. QUINN
ROBERT S. COHEN
J. RICHARD GREENSTEIN
WILLIAM GOLDSTEIN
JON M. ADELSTEIN
ROBERT C. NATHAN
DEBORAH E. KOLODNER*
RICHARD T. MULCAHEY, JR.
JAMES L. PRICE
CHARLES H. LAVESON
ARTHUR SILVERMAN
LEONARD L. ETTINGER
ALAN R. SQUIRES
I. LEONARD HOFFMAN
MARTIN TECHNER
JON J. BELISONZI*
CAREY SCHWARTZ ROSEMAN

*MEMBER PA & N.J. BARS

MORTON S. GORELICK
1954-1986
PAUL M. GOLDSTEIN
1933-1983
SIGMUND H. STEINBERG
1924-1978
ISAAC RICHMAN
1938-1965

ASSOCIATED WITH
MANYA L. KAMERLING*
24 WILKINS PLACE
P.O. BOX 456
HADDONFIELD, NJ 08033
609-795-7871

June 23, 1987

Walter L. Bartholomew, Jr.
Three Parkway, 20th Floor
Philadelphia, Pa. 19102

Re: 36th & Grays Ferry Property
Celotex Corporation - Island Realty Corp.

Dear Walter:

Pursuant to our telephone conversation of Friday and yesterday with reference to the above captioned matter, I enclose herewith, for your records, the following:

1. Copy of letter which I received from an officer of my client, Island Realty Corp., authorizing me to schedule settlement since the client apparently is satisfied with the Engineer's report which they received and, therefore, waive their right of recission under Paragraph 4 of the Agreement.

2. List of personal property which Neale Beightol specifically reserved the right to remove from the premises. I would appreciate it if you would check with Neale to determine if, in fact, all of this personal property has been removed.

Before your entrance into this matter, I had scheduled a closing for Thursday, June 25, 1987, here in my office at 2:00 P.M. I will, of course, call Tom Croak over at Lawyers and place this settlement on hold until you have had an opportunity to discuss the availability of your clients and have set a time frame for your office to complete clearing the Title Report.

I am awaiting a return phone call from my clients to obtain their preferences for settlement. Obviously, if a mutually convenient settlement date is now to be discussed, I would trust that you have obtained the authority from your client to grant an

extension of time for settlement from the day set forth in Paragraph 3 of the Agreement which, as you will see, is 65 days after April 28, which would be July 2 or July 3.

I would also appreciate it if you would advise me of the individual or individuals who will be executing the Deed since I will be happy to prepare same.

Sincerely,

JOHN P. QUINN

JPQ/sm
Encls.

cc: Mr. Paul Silver
Mr. Paul Lombardi

ISLAND REALTY
C/O PAUL LOMBARDI
101 ATLANTIC AVENUE
VOORHEES, NEW JERSEY 08043

June 18, 1987

John P. Quinn, Esquire
900 - 2 Penn Center Plaza
Philadelphia, Pa. 19102

Re: 36th & Grays Ferry Property
Island Realty - Celotex Corporation

Dear Mr. Quinn:

We are satisfied with the engineers report and waive our right to cancel the contract in accordance with paragraph number four (4) of the agreement. You are hereby authorized to schedule settlement on our behalf.

Sincerely,

ISLAND REALTY

BY: Paul Lombardi
PAUL A. LOMBARDI

PAL:cg

W

No. 750-S CORPORATION DEED. Printed for and Sold by John C. Clark Co., 1326 Walnut St., Phila.

This Indenture Made the 10th

day of July in the year of our Lord one thousand nine hundred and eighty-seven (1987) **Between**

THE CELOTEX CORPORATION, A DELAWARE CORPORATION

(hereinafter called the Grantor), of the one part, and

ISLAND REALTY CORP., A PENNSYLVANIA CORPORATION

(hereinafter called the Grantee), of the other part,

Witnesseth, That the said Grantor, for and in consideration of the sum of

FIVE HUNDRED FIFTY THOUSAND DOLLARS and 00/100 ($550,000.00)----- lawful money of the United States of America, unto it well and truly paid by the said Grantee , at or before the sealing and delivery, hereof, the receipt whereof is hereby acknowledged, has granted, bargained and sold, aliened, enfeoffed, released and confirmed, and by these presents does grant, bargain and sell, alien, enfeoff, release and confirm unto the said Grantee , its successors and assigns, in fee.

ALL THAT CERTAIN parcel of land as more fully described in Exhibit "A" attached hereto and made a part hereof by this reference.

ALL THAT CERTAIN parcel of land SITUATE in the 38th Ward of the City of Philadelphia, Commonwealth of Pennsylvania, described as follows, to wit:

BEGINNING at a point on the Southwest corner of the intersection of Grays Ferry Avenue and Thirty-Sixth Street; extending from said point of beginning the following courses and distances along the westerly side of thirty-sixth street south twenty-one degrees nine minutes, sixteen seconds West (S 21° 09' 16" W) four hundred fifty-four and two hundred forty-three one thousandths feet (454.243) to a point, said point being the Northwesterly corner of Thirty-sixth Street and Wharton Street; THENCE along the Northerly side of Wharton Street North sixty-eight degrees, forty-nine minutes, forty-four seconds west (N 68° 49' 44" W) four hundred ninety and one hundred eighty-one thousandths feet (490.181) to a point, said point being the Northwesterly corner of Wharton Street and Schuylkill Avenue.

THENCE along the Westerly side of Schuylkill Avenue seventy (70') feet wide the following four courses and distances: South five degrees, twelve minutes, sixteen seconds West, (S 05° 12' 16" W) five hundred thirty-three and six hundred seventy-two one thousandths feet (533.672) to a point; THENCE South sixty-eight degrees, forty-nine minutes, forty-four seconds East (S 68° 49' 44" E) two and eight hundred eight thousandths feet (2.808) to a point; THENCE South twenty-one degrees, nine minutes, sixteen seconds West (S 21° 9' 16" W) six hundred one and seven hundred thirty-four thousandths feet (601.734) to a point; THENCE South 18 degrees, twenty minutes, fifty-seven seconds West (S 18° 20' 57" W) one hundred twelve and three hundred eighteen thousandths feet (112.318) to a point; THENCE along the Northerly line of a Bridge Right Of Way the following four courses and distances; South seventy-four degrees, fifty-nine minutes, sixteen seconds West (S 74° 59' 16" W) thirty and nine hundred twenty-one thousandths feet (30.921) to a point; THENCE South seventy-five degrees, thirty-one minutes, sixteen seconds West (S 75° 31' 16" W) fifty feet (50.000) to a point; THENCE South seventy-seven degrees, four minutes, sixteen seconds West (S 77° 04' 16" W) fifty feet (50.000) to a point; THENCE South seventy-eight degrees, ten minutes, sixteen seconds West (S 78° 10' 16" W) forty-two and one hundred twenty-nine thousandths feet (42.129) to a point on the Pierhead and Bulkhead Line of the Schuylkill River approved by the Secretary of War on September 10, 1940; THENCE along the said Pierhead and Bulkhead Line of the Schuylkill River the following six courses and distances: North nineteen degrees, forty minutes, thirty-seven seconds, East (N 19° 40' 37" E) two hundred eleven and four hundred nine thousandths feet (211.409) to a point; THENCE North nine degrees, thirty-six minutes, twelve seconds, East (N 09° 36' 12" E) three hundred four and fifty-one one hundredths feet (304.51) to a point;

EXHIBIT "A"

THENCE, North four degrees, twenty-two minutes, nine seconds East (N 04° 22' 9" E) two hundred ninety and four hundred ninety-four thousandths feet (290.494) to a point; THENCE North four degrees, twenty-two minutes, nine seconds East, (N 04° 22' 9" E) two hundred eighty-eight and sixteen thousandths feet (288.016) to a point; THENCE North three degrees, forty-five minutes, forty-five seconds East (N 03° 45' 45" E) five hundred sixty-eight and forty-four hundreths feet (568.440) to a point; THENCE North eleven degrees, four minutes, twenty-five seconds East (N 11° 04' 25" E) twenty and six hundred nineteen thousandths feet (20.619) to a point; THENCE leaving said Easterly Pierhead and Bulkhead Line the following three courses and distances to a point on the Southerly side of Grays Ferry Avenue; South seventy-eight degrees, three minutes, forty-four seconds East (S 78° 03' 44" E) two hundred thirty-seven feet (237.000) to a point; THENCE North thirteen degrees, twenty-one minutes, fifteen and one half seconds East (N 13° 21' 15.5" E) forty-eight and nine hundred eight thousandths feet (48.908) to a point;

THENCE South seventy-six degrees, thirty-eight minutes, forty-four and one-half seconds East (S 76° 38' 44.5" E) four hundred forty-six and five hundred one one thousandths feet (446.501) to a point; THENCE along the Southerly side of Grays Ferry Avenue the following four courses and distances back to the place of beginning; THENCE South sixty-two degrees, forty-seven minutes, fourteen and one half seconds East (S 62° 47' 14.5" E) thirteen and seven hundred ninety-four thousandths feet (13.794) to a point; THENCE South sixty-nine degrees, forty-one minutes, eight seconds East (S 69° 41' 08" E) twenty-six and fifty-nine hundreths feet (26.590) to a point; THENCE South seventy-seven degrees, fifty-five minutes, forty-four seconds East (S 77° 55' 44" E) forty-four and five hundred seventy-five thousandths feet (44.575) to a point; THENCE South sixty-eight degrees, fifty-five minutes, forty-two seconds East (S 68° 55' 42" E) one hundred thirty and five tenths feet (130.50) to the Place of Beginning.

CONTAINING 643519 square feet = 14.7732 Acres, more or less.

BEING the same premises which Allied Chemical Corporation, a New York Corporation, by Deed dated August 1, 1967 and recorded in the Office for the Recording of Deeds in and for the City of Philadelphia, Commonwealth of Pennsylvania in Deed Book CAD 1116 page 307, granted and conveyed unto The Celotex Corporation, a Delaware Corporation, its successors and assigns, in fee.

UNDER AND SUBJECT to rights, easements, restrictions, agreements and conditions of record, if any,

EXHIBIT "A"

Together with all and singular the buildings and Improvements, Ways, Streets, Alleys, Passages, Waters, Water-courses, Rights, Liberties, Privileges, Hereditaments and Appurtenances, whatsoever thereunto belonging, or in any wise appertaining, and the Reversions and Remainders, Rents, Issues and Profits thereof; and all the Estate, Right, Title, Interest, Property, Claim and Demand whatsoever of it, the said Grantor, in law as in equity, or otherwise howsoever, of, in, and to the same and every part thereof.

To have and to hold the said lot or piece of ground with the buildings and improvements thereon erected, Hereditaments and Premises hereby granted, or mentioned and intended so to be, with the Appurtenances, unto the said Grantee, its successors and Assigns, to and for the only proper use and behoof of the said Grantee, its usccessors and Assigns, forever.

UNDER AND SUBJECT as aforesaid

And the said Grantor, for itself, its successors and assigns does by these presents, covenant, grant and agree, to and with the said Grantee, its successors and Assigns, that it the said Grantor, its successors and assigns all and singular the Hereditaments and Premises herein above described and granted, or mentioned and intended so to be, with the Appurtenances, unto the said Grantee, its successors and Assigns, against it the said Grantor, its successors and assigns and against all and every Person or Persons whomsoever lawfully claiming or to claim the same or any part thereof, by, from or under it, him, her, them or any of them, shall and will SUBJECT as aforesaid WARRANT and forever DEFEND.

In Witness Whereof the party of the first part, has hereunto set its corporate seal. Dated the day and year first above written.

Sealed and Delivered
IN THE PRESENCE OF US:

THE CELOTEX CORPORATION, A DELAWARE CORPORATION

BY: William N. Temple
(Vice) President

ATTEST: Mary C. Snow
(Asst.) Secretary

(CORPORATE SEAL)

State of Florida
~~Commonwealth of Pennsylvania~~

County of Hillsborough

On this, the 10th day of July, 19 87, before me, Mary E. Thorn the undersigned officer,

personally appeared William N. Temple who acknowledged himself (herself) to be the Vice President of The Celotex Corporation, a Delaware a corporation, and that he as such Vice President, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself (herself) as Vice President

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

MY COMMISSION EXPIRES:

Notary Public State of Florida at Large
My Commission Expires Jan. 12, 1989.

Mary E. Thorn
NOTARY PUBLIC
(SEAL)

LTI-86-P-10969

DEED.

THE CELOTEX CORPORATION, A DELAWARE CORPORATION

TO

ISLAND REALTY CORP., A PENNSYLVANIA CORPORATION

PREMISES: 36th Street & Grays Ferry Avenue Philadelphia, PA

750-S John C. Clark Co., Phila 1984

The address of the above-named Grantee

is .....

.....

On behalf of the Grantee